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INTRODUCTORY NOTE

THE PRESENT industrial unrest is a challenge to the highest order of statesmanship. We are well into the second year since the armistice yet constructive progress finds itself in too many quarters floundering in dangerous morasses of reaction. Never was there greater call for seeing minds and disinterested service.

During the war and throughout the peace conference, the two inspiration points were the promise of a durable peace and the promise of greater regard for the comfort, health and happiness of the working men and women of the world. The coming of a new day—the hope constantly appealed to in the darkest hours of the conflict—is still enveloped in a fog. But however disillusioned they may be by after-war reactions, millions of workers will not soon forget the hopes raised by inspiring appeals sent forth in days of desperation. It is a dangerous thing to raise high hopes unless provision is made for bringing them to practical realization.

The *progressive* spirit of the times was admirably reflected at the thirteenth annual meeting of the American Association for Labor Legislation at Chicago. The results of recent official investigations showing the success of state insurance funds for workmen's accident compensation in America and their demonstrated superiority over commercial insurance carriers of such insurance were presented by Miles M. Dawson, consulting actuary, and by Carl Hookstadt of the United States Bureau of Labor Statistics. C. W. Price, general manager of the National Safety Council, bore eloquent testimony to the impetus workmen's compensation laws have given to the Safety First movement. At the same session, devoted to current problems in workmen's insurance, John A. Lapp, managing editor of *Modern Medicine* and former director of investigations of the Ohio state health insurance commission, summed up the findings and conclusions of the eleven official commissions that have already reported upon workmen's health insurance with a view to legislation, and his declaration that "the case for compulsory health insurance is fully made up" by these investigations should be heartening to those earlier advocates of comprehensive health care who have seen the "smoke screens" thrown out by an interested commercial opposition bent upon befuddling the public mind on this subject.

Of more than ordinary interest and significance, too, was the session on international labor legislation. It happened that this meeting of the Association followed closely upon the adjournment of the first official international labor conference of the League of Nations held at Washington

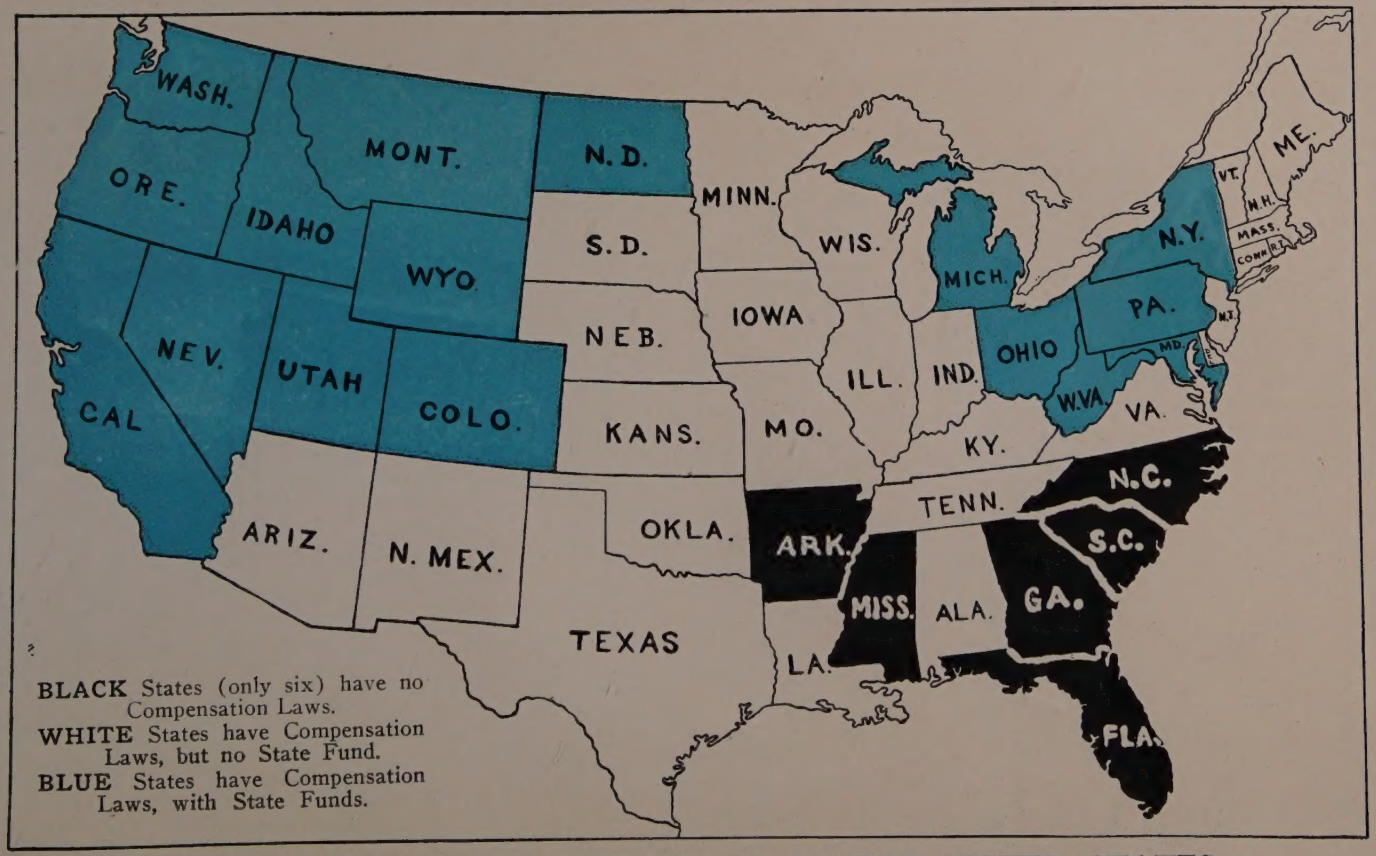
during November and much inspiration was derived from the fact that this world-wide gathering of representatives of employers, labor and the public had succeeded in finding such high common ground for the advancement of protective labor standards among all industrial peoples. The applicability to the United States of the conclusions of the international labor conference was a topic that brought forth most fruitful discussions—on the prohibition of child labor by Grace Abbott of the federal Children's Bureau; on night work for women by Agnes Nestor of the National Women's Trade Union League; on maternity protection by Irene Osgood Andrews, assistant secretary of the Association for Labor Legislation; on the eight hour day by F. A. Acland of the Canadian Ministry of Labour; and on unemployment by Don D. Lescohier of the University of Wisconsin. At a joint session with the American Sociological Society the Secretary reviewed "America's Insularity in the International Protection of Labor" with particular reference to the attitude of the United States Senate in debating the labor provisions of the peace treaty. Commissioner Royal Meeker, at our joint session with the American Economic Association, discussed "employees' participation in management."

Not all of the addresses at this meeting are reported in this number of the REVIEW, but in later issues, as national policies shape themselves, it is hoped that the results of these discussions will be reflected. The papers appearing on the following pages will be found most helpful in meeting big problems of labor legislation immediately pressing for action. John A. Fitch of the New York School for Social Work, in his discussion of the challenge of the industrial situation in America well remarks that the public, having a vital interest in the contests between capital and labor, can and must "determine the level upon which the struggle is to take place."

In his presidential address, Samuel McCune Lindsay recounted the greatly expanded activities of our Association during the thirteen years of its existence, particularly during the period of the war and in meeting the new demands for service arising out of the necessity for a well considered program of protective labor standards. Any one at all familiar with present labor problems must admit that conditions in this country and throughout the world promise to make the coming year a most interesting one. There will be ample need for the scientific application of all existing knowledge in making orderly progress by the legislative method. The need of governmental protection from both the ultra "radicals" and the ultra "conservatives" is already apparent. Increasingly, those who approach solutions from the general welfare point of view will need advice and effective support.

JOHN B. ANDREWS, *Secretary*,
American Association for Labor Legislation.

"A compensation law is in these days one of the tests by which men judge the social status of a state."



WORKMEN'S COMPENSATION LAWS IN THE UNITED STATES

FIVE-SIXTHS OF THE MAP IS NOW COVERED. WITHIN THE PAST TEN YEARS 42 OF THE 48 STATES, IN ADDITION TO PORTO RICO AND THE TWO TERRITORIES OF ALASKA AND HAWAII, HAVE ADOPTED COMPENSATION LAWS.

Workmen's Compensation Laws—1920

Workmen's compensation laws, the first of which was enacted in 1911, are now in force in FORTY-TWO STATES, in addition to Porto Rico and the two Territories of Alaska and Hawaii. The Federal Government also provides such protection for its own million civilian employees.

The tendency of this legislation is to cover ALL EMPLOYMENTS except farm labor and domestic service, but some states still limit compensation to so-called "hazardous" employments.

MEDICAL CARE is usually provided at the expense of the employer.

In twenty-five states there is a "WAITING PERIOD" of seven days or less immediately following the injury, during which no compensation is paid. Thereafter under the Massachusetts, Minnesota, Missouri, Nebraska, New Jersey, New York, North Dakota and Ohio laws, as well as under the Federal law, COMPENSATION FOR DISABILITY is 66-2/3 per cent of wages. In California, Illinois (sliding scale), Kentucky and Wisconsin compensation is fixed at 65 per cent; in Alabama (sliding scale), Hawaii, Iowa, Kansas, Maine, Michigan, Nevada, Pennsylvania, Texas and Utah at 60 per cent; while in Idaho, Indiana, Louisiana and South Dakota it is 55 per cent. In other states it is still as low as 50 per cent.

Under the Federal law, IN DEATH CASES the widow receives 35 per cent of her deceased husband's wages, with 10 per cent in addition for each child, the total never to exceed 66-2/3 per cent. With variations a number of other states follow this general plan.

Most laws allow, in addition, about $100 for BURIAL.

In all states except Alabama, Alaska, Arizona, Kansas, Louisiana and Minnesota, payment of compensation is made certain by requiring employers to INSURE their risk, and sixteen states have established state funds to provide insurance at cost.

TO ADMINISTER workmen's compensation acts, industrial accident boards have been established in all states except Alabama, Alaska, Arizona, Kansas, Louisiana, Minnesota, New Hampshire, New Mexico, Rhode Island, Tennessee and Wyoming.

VOCATIONAL REHABILITATION of disabled workmen has been neglected in America, but California, Illinois, Massachusetts, Minnesota, Nevada, New Jersey, North Dakota, Pennsylvania and Rhode Island have recently authorized the giving of aid in re-educating and finding employment for industrial cripples. Urgently needed Federal legislation is pending.

State Accident Insurance in America A Demonstrated Success

By Miles M. Dawson
Consulting Actuary, New York City

DURING 1919 I was engaged in official investigations of the state insurance funds for workmen's compensation in the three states of Ohio, Pennsylvania and New York.[1] In Ohio the fund is exclusive, while in Pennsylvania and New York commercial insurance companies are permitted to compete against the state funds. The results of these investigations, therefore, provide an excellent basis for comparison of the records being made by the two types of public workmen's insurance—exclusive state funds and competitive state funds—with private profit-taking stock companies. The findings in all cases present conclusive evidence of the superiority of state funds, particularly the exclusive fund, over commercial insurance, from the viewpoint of the best interests of both the employer and the injured employee.

All three funds thus examined were found to be in sound and prosperous condition. Tested by correct and even stringent actuarial standards, they possess ample surplus over all liabilities, immediate and contingent. Compared with stock insurance companies, they result in savings of millions of dollars every year to employers, while at the same time providing most certain and liberal benefits to injured workers and their families. In low expense of management they set new records, not merely for themselves, but for all carriers of workmen's compensation insurance throughout the world.

[1]Mr. Dawson's investigation of the State Fund of New York was made as counsel and actuary for Hon. J. F. Connor, special commissioner appointed by the governor. His investigation of the State Workmen's Insurance Fund of Pennsylvania was made by engagement with the State Insurance Board which supervises the fund. An earlier examination of the Pennsylvania fund was made a year ago by Mr. Dawson under appointment by the auditor-general. His investigation of the Ohio State Insurance Fund was supplementary to that made by E. H. Downey, special deputy insurance commissioner of Pennsylvania in charge of workmen's compensation insurance.

It will be remembered that when the earliest workmen's compensation bills were before American legislatures, European experience was cited in support of proposals for public instead of commercial administration of workmen's insurance. Norway then had the best showing, with an exclusive state fund which kept expenses of management down at the remarkably low level of only about 10 per cent of the premiums collected. In Sweden, where the state fund has to compete with stock and mutual companies, the ratio of expenses to premiums was only about 17 per cent. Misguided, as well as interested, opponents of public workmen's compensation raised a chorus that no such favorable results could possibly be realized under our own political institutions. My answer to that was always that America could do much better.

Meantime, within the last decade, workmen's compensation laws have been adopted by forty-two states, by Porto Rico, by the two territories of Alaska and Hawaii and by the federal government with a model act for its million civilian employees, leaving only six non-industrial states in the South still without this enlightened form of social insurance protection for workers against industrial accidents. And up to the present time no less than sixteen states[2] have established state funds to provide compensation insurance at cost. What do the facts of actual experience in the United States now prove?

Keep in mind the "acid test" fact that in the private profit-taking, stock insurance companies, doing a non-mutual business in this field, the ratio of management expenses to premiums constitutes a heavy burden on industry, running as high as 35 to 40 per cent. Compared with that, Norway's 10 per cent and Sweden's 17 per cent appear economical indeed. But state funds in America are doing vastly better—even better than the most sanguine of us so confidently predicted ten years ago. In Washington, where the first state fund in this country was established, the proportion of premium receipts taken for management expenses dropped lower and lower until it beat Norway's record by more than half. The Oregon state fund, established considerably later, already has this proportion of expense down to 7½ per cent. My official investigation of the three state funds with which we are here specially concerned disclosed a still greater measure of success in Ohio and

[2] Also four provinces of Canada, with a fifth—Manitoba—just now coming into line in this regard.

very low ratios even when the state fund is in competition with insurance companies.

How great the economies of the state funds were found to be, as contrasted with the wastefulness of commercial companies (whose commissions to agents alone amount to 17½ per cent of the premiums collected) may be seen at a glance from the following:

	Ratio of management expense to premiums[a]
Commercial Stock Insurance Companies	35-40 %
Pennsylvania state fund (competitive)	9 %
New York state fund (competitive)	6.2 %
Ohio state fund (exclusive)	1.625%

The marvelous record in Ohio, where the expense rate in the state fund is only about one-twentieth of the expense rate in stock insurance companies, thus gives first place in economy of management to the **exclusive** state fund.

As to the net cost of insurance to policy-holders, I found that the exclusive fund in Ohio is doing the best for industry in average savings to insured employers as well as in low expense of management. The New York state fund saves policy-holders 29 per cent of the premiums they would have to pay commercial insurance companies; the saving in the Pennsylvania fund is 19 per cent (in one year 14½ per cent) for coal mines and 23½ per cent for other employers; the Ohio fund, where administrative expenses are paid out of the state treasury instead of being taken from premium receipts, makes the very large saving to industry of at least 35 per cent. **These figures represent total savings to industry of many millions of dollars every year.**

But the aggregate savings have been materially larger; additional savings achieved by the state funds are found in the ample surplus carried. These will make possible still lower costs, together with larger benefits, in future. Indeed, any of these funds could, from its surplus, return to its policy-holders an extra dividend of 5 per cent on all the premiums received (computed at the usual casualty insurance company rates). Or, if kept in the surplus as a "stabilizer," these sums work quite as much to the policy-holders' advantage as if paid out to them as dividends; they are a true saving.

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[a] The premiums are here taken at stock insurance company rates; the actual rates of the state funds were very materially lower.

The remarkably creditable showing on 1918 business in all three state funds is further indicated by comparing their **combined losses and expenses** with those of the stock companies. Based on the usual casualty insurance company premiums, the losses and expenses together in the New York state fund were only 47 per cent as against 87 per cent in the commercial stock companies; in the Pennsylvania fund 55.4 per cent for coal mines and 50.1 per cent for other industries; in the Ohio fund 65 per cent. It should be explained here that the Ohio cost figures are estimates. Since no stock companies are permitted to carry this business in Ohio, their rates for purposes of comparison in that state are taken, by the actuarial formula regularly used in such computation, to be in the ratio to net claims cost as 100 is to 65. But even with the most conservative figuring the advantages of the state fund, in the matter of bare costs, are strikingly apparent.

In financial strength all three state funds are above criticism. New York's competitive fund was found to have on June 30, 1919, assets of $6,179,376.88, which cover all liabilities, present and future, and leave surplus funds of $1,170,479.94. The Pennsylvania fund, also competitive, had on December 31, 1918, assets of $3,605,729.85, covering all liabilities and leaving a total surplus of $1,961,207.78. The exclusive state fund in Ohio, which has met all compensation claims in full, had on March 1, 1919, accumulated assets of $19,529,022 with all liabilities covered and in addition a surplus of $3,722,471.00.

The reserves of all three funds were found to be unquestionably adequate, with the soundest actuarial principles strictly adhered to, and with ample provisions for all possible contingencies, including catastrophes. The assets of each fund are safely and profitably invested in high-class public securities. All uninvested funds are intact. So the financial condition of these public insurance funds may most conservatively be said to be at least as strong and unassailable as that of any class of insurance companies.

While the results of these investigations reveal great advantages of the state fund plan, still I discovered in the conduct of each fund an opportunity for constructive suggestions. These relate not at all to the integrity and benefits of the state funds, nor even to the economy of their management, but entirely to the greatest possible dispatch and efficiency in making full and just payments to injured workers who are entitled to them.

It is not that the state funds have done worse in this respect than

the stock insurance companies, because they really have done better. It is that any bad features of administration should be weeded out, if discovered, and every effort made to attain the maximum of excellence.

Great economies in expense of management were expected from the state funds; in actual practice, as we have seen, they have been extraordinary. But there is the danger that economy may be carried to such unnecessary extremes that delay in making awards may result, as in Ohio to some extent; or, as in New York, important features of administration—such as statistical, accounting, pay-roll auditing, or detecting and rooting out, if not preventing, evils of "holding up" claimants—may suffer because salaries have been kept too low. Traces, too, were found of bureaucratic flaws on the part of some officials. Such evidences of slackness, however, were not accompanied by any proof that in consequence the results were poorer with respect to net cost to employers or net returns to injured workmen and their families; instead **the records of the state funds along these lines were consistently better than those of the commercial insurance companies.**

A word of caution and explanation as to "direct settlements" appears necessary in this connection.

Our investigation of the New York state fund disclosed the evil of frequent and large underpayments as the result of an amendment to the workmen's compensation law which was in effect about two years, permitting settlements to be made by the insurance carriers directly with the injured claimants. **The chief offenders in such "paring down" of claims below just compensation under the law, were the commercial insurance companies.** The deputy commissioner in charge of workmen's compensation testified that such underpayments on the part of insurance companies and self-insurers has deprived injured employees and their dependents of about $5,700,000!

An attempt is being made on behalf of the commercial insurance interests to divert public attention away from this revelation of their own gross mistreatment of injured workmen by criticism of serious but in comparison insignificant abuses discovered within the state fund, to-wit: Certain employees of the state fund "held-up" a small number of greedy claimants who were so eager to get "lump sums" that in order to secure such an award, they paid as high as half their compensation. The total amount thus given up by claim-

ants against the state fund was about $50,000—a grievous thing, not to be minimized or excused, but also not to be exaggerated. Upon the evidence of this, as I brought it out in the public hearings, several persons were indicted.

These offenses, as far as the state fund is concerned, happened only in connection with so-called "final adjustments"—that is, commutations for "lump sums"— a practice reluctantly consented to by the state fund after long resistance. It was demanded by employers and employees, and had continually been resorted to by self-insurers and by insurance companies, with which the state fund had to compete, so they could get off cheaper. There were also "divvies" by injured employees with "runners" who claimed to be able to secure "lump sums" from insurance companies. **Indeed, the most careful investigation showed that what minor abuses did occur in the state fund were directly traceable to commercial insurance company practices and competition.**

The wonder is not that some evils existed but that they should be so few when the state fund is still subjected to the serious disadvantage of unscientific and unscrupulous competition by the stock insurance companies. Yet, during the investigation and since, extensive and even sensational publicity was given to the $50,000 lost to claimants by these practices under the state fund, while very little was said in the "news" about the more than $5,000,000 extracted by the insurance companies.

At any rate the "direct settlement" amendment in New York is now, happily, repealed.

Altogether, the state funds for workmen's compensation insurance are shown by my investigation to be extraordinarily successful. They are financially sound; they are operated on the strictest actuarial principles; they reduce management expenses to a minimum. They have made steady progress, even under competitive conditions, for in Pennsylvania the premium receipts of the fund have increased from $804,234 in 1916, to $2,456,062 in 1918, and in New York from $689,764 in the last six months of 1914, to $1,867,841 in the last six months of 1918. They permit increasingly liberal benefits for injured workers and their families. They result in enormous savings to industry. In New York, for instance, employers who are insured in the state fund have been saved about $4,000,000 in four and a half years over and above what it would have cost had the same insurance been

carried in stock insurance companies; and if all employers in this state insured by stock companies had placed their insurance with the state fund they would have saved during the same period the very large sum of $18,000,000—which, of course, would have represented an even larger saving to the consuming public. In Ohio the exclusive state fund has saved insured employers at least $15,000,000.

Why, then, should any employer still resist adoption of insurance exclusively in state funds? Perhaps, to some extent, because of "many men, many minds." Partly, also, because of the specious but active propaganda of an interested opposition that the public control of this essentially public function is an "opening wedge" to state monopolization of businesses that are private. There may even be some distrust as to the efficiency of governmental agencies in conducting such an enterprise; which, however, in the case of the state funds has been found wholly without justification. But what holding back still remains on the part of employers might be ascribed largely to the fixed antagonism of some manufacturers' associations to legislative measures for the improvement of industrial conditions—a blind opposition apparent today no less than ten years ago when it was unsuccessfully directed against the enactment of workmen's compensation laws. And then there is close relationship, business and otherwise, between many employers and the stock insurance companies.

It is to be desired, however, that in certain phases of management of state funds, especially in claim adjustments and accident prevention, there should be greater participation of representatives of insured employers and insured workmen.

Most important of all, **these investigations show the superiority of state funds over commercial insurance companies and of the exclusive state fund, as in Ohio, over all other carriers.** That is the finding of most immediate and direct interest to employers, employees and the public. The failure of one New York stock insurance company, causing great and, to a considerable extent, irremediable distress, has emphasized anew the interest of industry as well as the public interest in the public administration of this public business of collecting and disbursing sums required for protecting the working population against suffering and destitution due to industrial accidents. The assurance that such protection for the helpless will be surely and promptly forthcoming should not be entrusted to private profit-taking corporations.

Relative Merits of Different Compensation Insurance Systems

By Carl Hookstadt
United States Bureau of Labor Statistics

THE relative merits of the several types of workmen's compensation insurance may be determined through the application of three tests: cost, security and service. For purposes of this discussion I shall limit myself to questions of security and service.

Security

The problem of security is important to the employer, but especially so to the injured employee. When an employer in good faith insures his risk in a responsible authorized insurance company he should be protected against further liability. But, on the other hand, the employee should not be deprived of his compensation benefits through or because of the insolvency of the employer or the insurance carrier. The employee's interests are paramount and should be given first consideration.

Compensation laws provide various methods for securing or protecting the employee's compensation benefits, some of which are entirely inadequate and unsatisfactory. In all but six states [1] insurance is compulsory, but unfortunately in many of these states the law provides no penalty for failure to insure, except that the employee may sue for damages with the employer's defenses removed. A judgment awarding damages is of little service to the employee if the employer is insolvent.

Broadly speaking, four types of insurance are provided: (1) Private insurance carriers, either stock (non-participating) or mutual (participating); (2) Competitive state funds; (3) Exclusive state funds, and (4) Self-insurance. In most cases the employers have the option of several kinds of insurance. This does not hold true, however, of states having exclusive funds; in these states no other form of insurance is permitted. Another form of security in

[1] Alabama, Alaska, Arizona, Kansas, Louisiana, and Minnesota.

most of the laws is the provision making compensation payments a preferred claim or lien against the property of the employer. In fact, this is practically the only security possessed by employees in the non-compulsory insurance states.

Stock or non-participating insurance carriers.—The security or solvency of private stock companies depends first upon adequate insurance rates and second upon adequate reserves. Both should be under the strict supervision and regulation of state insurance departments. No company can long maintain its solvency with inadequate rates. Under stress of cut-throat competition the temptation to reduce rates below the safety level becomes too great to resist. State regulation is necessary to maintain the solvency of the insurance carrier and to protect the compensation rights of injured employees. But notwithstanding these obvious facts nearly one-half of the compensation states make no provision for rate regulation. Small wonder then that such a state of affairs has resulted in several disastrous failures during the past two or three years. The failure of such companies as the Guardian Casualty and Guaranty Company of Utah, the Casualty Company of America, and the Commonwealth Bonding & Insurance Company of Texas resulted in thousands of dollars of unpaid compensation claims. The Guardian Company operated in fifteen states and the unpaid claims in Montana alone amounted to $75,000. In those states in which the law held both the employer and insurer individually liable these losses had to be met by the employers. In other states in which employers are relieved of further liability when insured, the injured claimants were the sufferers. The legislature of California appropriated between $60,000 and $70,000 of public money to pay in full the larger claims of injured employees because of the bankruptcy of the Commonwealth Bonding Company of Texas. Many smaller claims have not yet been taken care of. Such is the security record of private stock insurance companies. Whether the state should, as maintained by some, either guarantee the solvency of insurance companies authorized to do business or make good the losses directly out of the state treasury where such insolvency is due to lax insurance laws or their administration, may be questioned. By no means, however, should the injured employee be permitted to suffer.

Coincident with the regulation of rates there should be supervision over reserves. Rates may be adequate to maintain solvency

under normal conditions. But a long period of excessive losses or a catastrophe resulting in hundreds of fatalities may endanger the solvency of a carrier unless sufficient reserves have been maintained. What constitutes adequate reserves depends upon the nature of the risks and other factors. They may vary from 65 per cent of the previous year's losses to 100 per cent of the premium.

Mutual or participating carriers.—The provisions as to the adequacy of rates and reserves for stock companies apply also to mutuals. In certain states, however, mutual companies because of their lower expense ratio are allowed to issue rates lower than those demanded of stock companies. As to the advisability of this practice insurance actuaries differ. Employers insured in mutual companies, however, are subject to assessment, in the event that the losses exceed the premiums. The mutual plan therefore seems to offer a greater degree of security to the employee and a less degree to the employer. However, no large mutual company has failed as yet.

State funds.—State funds are of two kinds, competitive and exclusive. There are now in existence eight[2] exclusive funds and nine[3] competitive funds. The provisions as to rates and reserves applicable to private companies should also apply to state funds. In some of the states the employer, when insured in the fund, is relieved of all further liability. The fund therefore becomes the employee's sole protection. Nor does any state having such a fund assume liability in case of the fund's insolvency. On the contrary, some of the states specifically disclaim liability beyond the amount of the fund. Since no state fund has as yet become insolvent the policy of the state as regards compensation claims in the event of the fund's insolvency cannot be ascertained. However, its probable attitude may be seen from the experience in California where, as already noted, the legislature appropriated over $60,000 to pay claims resulting from the bankruptcy of a private insurance company.

Self-insurance.—Practically all of the compensation states, except those having exclusive state funds, permit employers to carry their own risk, subject to such safeguards as the law may prescribe. About one-half of the compensation laws require self-insured em-

[2]Nevada, North Dakota, Ohio, Oregon, Porto Rico, Washington, West Virginia and Wyoming.

[3]California, Colorado, Idaho, Maryland, Michigan, Montana, New York, Pennsylvania and Utah.

ployers either to furnish proof of solvency or to deposit such security as is required by the compensation commission or insurance department. In the other states they must deposit security in addition to furnishing proof of solvency. In several states employers are also permitted to insure their risks in authorized guaranty companies.

Experience as to self-insurance has been reported to the United States Bureau of Labor Statistics by the compensation commissions of twenty-one states. In fifteen of these states no self-insured employer has failed or gone into the hands of a receiver; three states reported one failure each and one state reported two failures, but in all cases the compensation claims were paid either by the receiver or through security which had been deposited. Only two states reported failures—one small concern in each state—which resulted in several claims being unpaid. Several exceptionally disastrous accidents were reported. Three severe catastrophes occurred in Pennsylvania, two of which resulted in over 100 fatalities. Compensation losses were paid in full in every case.

While the security record of self-insurers has been excellent this favorable experience may be due in part to good fortune or pure chance. It is also quite possible that compensation commissions are not always cognizant of every failure of self-insured employers, because such failures may not be reported to them. This was actually the case in Illinois. In such cases the injured claimant usually consults an attorney, who takes the matter before a bankruptcy court and the commission remains in ignorance of the facts.

The filing of a mere financial statement showing assets and liabilities is an insufficient guaranty of ability to meet long-continuing payments or to withstand a catastrophe successfully. The financial statement of a Wisconsin self-insurer showed net assets of $5,000,000, yet the concern shortly afterwards went into the hands of a receiver. Self-insured employers should also be required to deposit sufficient security to meet all reasonable compensation obligations. Such security may be furnished in various ways: Deposit of cash or bonds; surety bonds; reinsurance; requiring employers to set up reserves; purchase of annuities or trust funds in case of death or permanent disability awards. Reinsurance is frowned upon in some states. Wisconsin, for example, prohibits self-insurers from taking out "deductible average" insurance policies because there exists no reliable data upon which premium rates may be based. In Colorado, on the other hand, employers in the more hazardous industries are required to reinsure losses over $25,000 to $150,000.

There seems to be no legitimate reason why self-insurers should not be subject to the same supervision and regulation as to security and reserves as those imposed upon the regular insurance carriers. The industrial commissions should have full authority to grant, refuse, or revoke permission to self-insure if satisfactory cause is shown. This discretionary power should include, in addition to questions of solvency, such matters as the employer's attitude toward safety, settlement of claims, discrimination against cripples, etc.

Non-insurance.—Another important problem is the failure of many employers to insure their risk under the compensation act. Even in the compulsory insurance states hundreds of employers fail to insure. For example, Mr. J. F. Connor in his report of the New York industrial commission points out that more than 15,000 employers failed to give security for the payment of compensation although required to insure under the compensation act. Many of these employers were financially irresponsible and awards by the commission arising from claims against them were often uncollectable. Most of these non-insured employers are small concerns—stores and the like. Some are extra-hazardous employments whom the commercial carriers would not insure, such as window cleaners, fishermen, junk dealers, and so on. It has even been found necessary to permit such employers to carry their own risk. The state should provide facilities for insurance for every employer subject to the compensation act and then penalize heavily those employers who fail to insure. The usual penalty of allowing the employee to sue for damages with the employer's defenses removed is useless in case the employer is insolvent. Every state commission should have on file a list of all the employers under the act, together with their insurance record. This is not an impossible task. Usually the commission's first knowledge of an employer's non-insurance is when an accident claim is presented.

Service

The real test of the merits or efficiency of a compensation administrative or insurance system is the quantity and quality of service furnished, service to the employer but particularly service to the employee. The principal tests of service are accident prevention, just compensation awards, promptness of payment, minimum of time and expense in adjudicating contested cases, aid given claimants in obtaining their compensation, medical aid and supervision,

and care of the permanently disabled. For the present purpose consideration will be limited to the question of just awards and promptness of payments.

Just awards.—One of the principal arguments which have constantly been advanced in favor of compensation legislation is that such laws would insure to the workman prompt, definite and certain benefits. It was this fact which would prove the superiority of a workmen's compensation over an employers' liability system and justified the abolition of the right to sue for damages. Experience has definitely shown, however, that not only have payments not always been prompt but thousands of injured workmen annually are either underpaid or receive no compensation at all. This underpayment or non-payment of benefits is due in part to the lack of efficient governmental administration, in part to the ignorance of the employees, and in part to the dishonesty and exploitation of the employer or the insurance carrier.

The recent investigation of the operation of the direct settlement system in New York made by Mr. J. F. Connor showed that of 1,000 unselected cases 114 were underpaid. This underpayment amounted to $52,279.84, or $459 per case. The total underpayments on the basis of the 1,000 cases would amount to $1,400,000 annually. **An analysis of the 114 cases shows that the private stock companies and the self-insured employers were especially guilty of this "shortchanging" practice.** The following table shows the average amount originally paid by direct settlement, and the additional amount awarded after investigation and rehearing, classified by type of insurance:

Type of insurance	Number of underpaid cases	Average amount originally paid by direct settlement	Average additional compensation awarded upon rehearing
Stock insurance companies.....	79	$114	$383
Mutual insurance companies....	6	29	61
Self-insurers	29	157	747
Total	114	$120	$459

Mr. Connor's investigation of "lump sum" settlements disclosed the same deplorable practice of underpayment. Of 80

selected cases 20 were found to have been underpaid. The total amount originally awarded on the final adjustment of the 20 cases before a deputy commissioner was $29,618.67. The total amount awarded on the rehearing of these cases amounted to $52,086.97. The claimants in these cases were underpaid, therefore, the sum of $22,468.30, an average of $1,123 per case. The **stock insurance companies were again the chief offenders.** Claims against the state fund were also found to have been underpaid. In 11 cases in the Buffalo office, in which claimants had been previously awarded a total of $2,742.14, the commission at a rehearing awarded a total of $9,579.91. The average underpayment was $622 per case. These underpayments by the state fund were all confined to the special groups, some of which are composed of individual employers. It is evident that the employers in these special groups are directly interested in keeping down compensation cost.

The Connor investigation, while a severe indictment of certain practices under compensation administration, should not, however, militate too strongly against the New York industrial commission. Undoubtedly a similar investigation of practically every other state should show similar results. The incentive to pare or deny compensation benefits is governed largely by the directness of the relationship between the accident and the cost thereof, *i. e.*, the incentive increases directly with individual liability and inversely with collective liability. Thus with self-insured employers the relationship is direct and consequently this incentive is great. Insured employers, on the other hand, after paying their premiums, have no pecuniary interest in reducing or denying compensation claims since the amount of premiums paid by an individual employer is not affected by the subsequent compensation costs of his accidents. In this case, however, the incentive is transferred to the insurance carrier, but only if the business of such insurance carrier is conducted for profit.

A compensation insurance system, therefore, if this pecuniary incentive is to be entirely removed, must be based upon collective liability and must be operated by a non-profit-seeking agency. These two conditions are met by an exclusive state fund.

However, even under an exclusive state fund system, the division of employers into special groups or the adoption of merit rating schemes is a departure from the collective liability idea. The

adoption of such schemes may be necessary to stimulate and reward accident prevention work, but it also introduces the incentive to fight compensation claims. As a solution of this dilemma it may be desirable to adopt a merit rating system, but to base the employer's credits and debits not upon his cost experience, but upon his accident experience. This would simultaneously promote safety work, insure equity as between individual employers, and remove the incentive to pare or refuse compensation claims.

It will probably never be possible, however, even under an exclusive state fund system, to insure absolutely just compensation to every injured employee; surely it will be impossible unless the commission personally investigates each case, which would greatly increase the administrative expense and would probably decrease the promptness of compensation payments.

There are, however, certain methods by which instances of underpayment may be reduced to a minimum. In the first place, there should be an authoritative commission to administer the compensation act. The necessity of such a commission hardly admits of argument. The experience of New Jersey conclusively proves that, under a court administration type of law, thousands of compensable accidents are insufficiently compensated or not compensated at all. A comparison of accident statistics of New Jersey with those of Massachusetts is very illuminating. Both states require all employers to report their accidents. In Massachusetts during the year of 1916 there were reported 28,060 accidents resulting in death or two weeks' disability, whereas in New Jersey, which has 78 per cent as many employees as Massachusetts, only 8,611 such accidents were reported. Inasmuch as the industries of New Jersey are fully as hazardous as those of Massachusetts they should produce proportionately the same number of accidents. The probable number of accidents in New Jersey in 1916, therefore, was 21,887, not 8,611 as reported. In other words, 13,276 or over 60 per cent of New Jersey's compensable accidents were not reported and presumably not compensated.

A complete report of every compensable accident should be made promptly to the commission. Supplementary reports should be made at stated intervals thereafter and until the injured man returns to work. In all permanent disabilities and other serious injuries a physician's report should be required. All fatalities and doubtful

cases should be investigated. Injured employees should be advised of their rights and some expression from them as to the facts in the case is desirable. It is a serious mistake to assume that the employee is familiar with his compensation rights or knows how to obtain them. It is particularly dangerous to receive all reports from one party because it does not permit a comparison or checking up as to accuracy. It is preferable that the first report of the accident be made directly by the employer to the commission. Every settlement or agreement should be carefully checked with the employer's and physician's reports. A special follow-up system should be provided for injuries which may possibly cause permanent disability or impairment of function.

Prompt payments.—Next to just compensation awards in the matter of importance to injured workers comes promptness in payments. Most industrial workers depend upon their weekly wages to meet current living expenses. The stoppage of income through accident immediately entails a hardship upon the family. It is important therefore that compensation payments should begin as quickly as possible, but not, however, at the expense of justice. If it is to be a question of alternatives it is much more important that the workman receive full benefits at the expense of promptness than that he receive his payments promptly at the expense of justice.

The promptness of payments depends to some extent upon the thoroughness with which claims are investigated. The more thorough the investigation the less promptly does the workmen receive his payments. By "thoroughness" is meant thoroughness in ascertaining the exact facts and not thoroughness in browbeating and exploiting the injured workmen.

The relative promptness with which compensation claims are settled by different types of insurance carriers is brought out in a recent examination by the Bureau of Labor Statistics of 2,000 compensable accident cases in Pennsylvania. These cases were taken at random from the files of the state workmen's compensation bureau at Harrisburg. In each case the interval between the date of the accident and the date of signing the voluntary agreement was noted and the results tabulated. The date of the signing of the agreement is not, of course, synonymous with the date of the first payment, but it will reflect the promptness of claim settlements.

The data was then tabulated by type of insurance, as shown

in the subjoined table.[4] The Pennsylvania compensation law provides for a two weeks' waiting period. It will be noted that the percentages of cases in which the agreements were signed within three weeks after the date of the accident, *i. e.*, one week after the termination of the waiting period, were as follows: private stock companies, 17.7 per cent; self-insured employers, 18.8 per cent; state fund, 30.5 per cent. The corresponding percentages for the first five weeks after the accident were: stock companies, 53.6; self-insurers, 62.1; state fund, 62.7. **It will be noted that the stock companies have the least creditable showing and the state fund the most creditable.** These facts are not necessarily conclusive but they are suggestive.

[4] Percentage Distribution of 2,005 Compensation Agreements in Pennsylvania Signed Within Specified Periods and Classified by Type of Insurance.

From Date of Accident	All Cases* (2005)	Private Stock Companies (897)	Self-Insured Employers (814)	State Fund (118)
	Per Cent.	Per Cent.	Per Cent.	Per Cent.
3 weeks and under	21.3	17.7	18.8	30.5
Over 3 to 4 weeks	20.1	20.6	21.2	17.8
Over 4 to 5 weeks	17.6	15.3	22.1	14.4
Over 5 to 6 weeks	10.9	11.7	11.7	10.2
Over 6 to 7 weeks	8.1	8.6	8.2	6.8
Over 7 to 8 weeks	5.1	7.2	3.6	5.1
Over 8 to 9 weeks	3.7	4.3	3.6	2.5
Over 9 to 11 weeks	4.7	5.6	3.3	5.1
Over 11 to 13 weeks	1.9	2.3	1.7	0.8
Over 3 to 4 months	3.1	3.0	2.7	3.4
Over 4 to 5 months	1.9	1.8	1.0	0.8
Over 5 to 6 months	0.8	0.7	0.9	1.7
6 months and over	1.1	1.2	1.2	0.8
Total	100.0	100.0	100.0	100.0

* Included also mutual insurance companies, railroads and public employments.

Some Outstanding Facts in the Safety Movement

By C. W. Price
General Manager, National Safety Council

SOME months ago a professor in one of the leading universities of New York City asked a prominent safety engineer this question: "What is the most significant fact which stands out in the last ten years' experience in accident prevention in industry?" The engineer replied: **"In my estimation the one outstanding fact is that we have absolutely demonstrated that we can eliminate three-fourths of all accidental deaths and serious injuries in industry."** I think this is a very good answer; and it is true.

There are other significant facts in this ten years' history of the safety movement. It is worth while lining up some of them, thus——

Accident prevention has offered the first legitimate common ground on which employer and employee can meet with mutual interest and understanding and with profit to both.

According to the experience of hundreds of industrial plants in which accidents have been reduced from 50 to 75 per cent, not more than one-third of what was accomplished was made possible by any mechanical guard or mechanical equipment; anything which could be made of iron or wood or steel or purchased with money. Two-thirds has been accomplished through organization and educational methods, through reaching superintendents and foremen and getting them convinced and "on the job" and, through them, reaching the workmen and getting them intelligently interested in protecting themselves.

Every industry that has done efficient accident prevention work has found it not only pays ordinary dividends on the investment but in many cases extraordinary dividends.

Safety, therefore, is rapidly being taken out of the "baby" class where it was fifteen years ago and is being put into the business class. It has been given a dignified standing as an indispensable part of efficient business. It is recognized not only as good ethics, but as good business. The secret of this remarkable development during

the last dozen years is not that business men suddenly became more ethical, although there is no doubt that they are steadily growing more human and regardful of their employees, but it does arise from the fact that starting with the wonderful demonstrations of the steel corporation, business men have been coming to see that Safety pays big dividends. This is the force behind the present safety movement.

State compensation laws have played a most important part in stimulating Safety because they more definitely define the cause of accidents and place the burden squarely on the shoulders of the employers without recourse to the courts. During the five years that I was connected with the Wisconsin Industrial Commission, accidental deaths were reduced 61 per cent. Judging from this experience, it is, I think, fair to say that **one-half of the credit for this accomplishment must be given to the stimulus which the compensation law gave to the whole safety movement.**

Notwithstanding the splendid accomplishments in hundreds of industrial plants throughout the country, a recent investigation of the larger industrial centers shows that in not more than 10 per cent of the industrial plants is efficient organized educational safety work being done—the sort of safety work which goes beyond mechanical guards—reaching the workman and interesting him in protecting himself.

Plant managers and safety engineers are coming to see that the problem of accidents in industry will never be solved, much less the more serious problem of accidents on the streets and in the homes, until Safety is incorporated into the community life. When each child in the schools is taught Safety, and through the child the mother and father in the home are reached and interested; when the city officials, the police force, the women's clubs, the churches, the various civic organizations, and the press all join hands in a united community effort to promote Safety, then not only will the appalling increase in deaths on the streets be checked, but workmen in the industries will be reached more directly and effectively than through any efforts in individual plants.

Industrial managers are coming to see that Safety, like health, must be established in the thoughts and lives of the community, so that people will come to regard it as one of the indispensable things that must be attended to in order to preserve community life.

The Findings of Official Health Insurance Commissions

By John A. Lapp
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Director of Investigations, Ohio Old Age and Health Insurance Commission

COMPULSORY health insurance in 1920 is in about the same relative position as workmen's compensation for industrial accidents was, with regard to legislative adoption, in 1910. The subject has been widely discussed. Official commissions have studied it and have reported variously. Bills have been introduced in many states, and there is a general acceptance of the idea that health insurance is bound to come, just as workmen's compensation came, in the United States. In 1910 several commissions had reported on workmen's compensation; New York had passed a partial bill which was declared unconstitutional, and there was a great body of public sentiment in favor of the principle of compulsory insurance against industrial accidents. Since then progress has been rapid. Forty-two states and three territories have now adopted more or less complete compensation acts in addition to the model compensation law of the federal government for its million civilian employees.

Down to January 1, 1920, eleven official state commissions had considered and reported upon workmen's health insurance. Six states—Massachusetts (1917), California (1917), New Jersey (1918), Ohio (1919), California (1919) and New York (Reconstruction Commission, 1919)—reported in favor of compulsory health insurance. Four commissions—Connecticut (1919), Wisconsin (1919), Illinois (1919), and Massachusetts (1918)—reported against compulsory health insurance. One state, Pennsylvania, reported on the extent and burden of sickness, pointing out the necessity for action, and asked for a new commission to consider health insurance legislation as the solution for existing problems.

At least four of these reports—California, Ohio, Pennsylvania and Illinois—represent thoroughgoing studies of the problems of health insurance. The studies of the first three commissions bear

out fully the favorable conclusions reached. Those of Illinois point unmistakably to health insurance, but the majority of the commission ignored the facts of the investigation and declared adversely. The reports of Wisconsin and Connecticut present comparatively little data and contain but meager evidence of an investigation of health insurance itself. What facts were set forth in the reports indicate the need for health measures, and health measures were recommended. The two reports in Massachusetts offer only slight scientific data relative to health insurance itself; the conclusions being in the nature of opinions formulated by the members of the commissions after hearings.

The first official report came from the Massachusetts commission in 1917. The majority favored compulsory health insurance. The commission was "unanimously of the opinion that the principle of insurance is a desirable one for the application on a sufficiently wide scale to safeguard every wage-earner in the commonwealth from certain of the evils of sickness, unemployment and old age." There were divergent views as to the form of such insurance and as to whether it should immediately be enacted into law. It was unanimously agreed that careful study should be given to details before adopting a measure of such magnitude. The commission had summaries prepared of the statistics and facts of existing insurance in the state. It held public hearings. But there is no evidence in the report that wider studies were undertaken. The value of the report lies in its clear and accurate statement of **the functions of insurance as a distributor of risk**—the basic principle of health insurance—now being somewhat clouded by the mists and smoke screens thrown out by interested commercial insurance representatives.

Comprehensive Data Gathered

The first real study of health insurance by a legislative commission was that in California. Two years' time—1915 to 1917—and a substantial appropriation were made available. Competent directors were employed who went out and got facts from actual conditions instead of theories from uninformed and prejudiced groups. The investigations covered the following:

(1) The various systems of social insurance now in operation in different foreign countries.

(2) A special study of compulsory and voluntary subsidized health insurance systems in fourteen European countries.

(3) Evidence as to the general effect of social insurance upon the economic status of wage workers in Europe.

(4) Facilities available for insurance of workmen in the United States.

(5) A general survey of conditions of employment in California, such as average wages, unemployment, and health conditions in several working communities.

(6) The cost of medical aid and hospital care in relation to the earning capacity of the average wage worker.

(7) Present facilities for public care of the indigent sick in California, such as available free hospital space, and outpatient clinics.

(8) The problem of poverty and destitution in California, especially in their connection with sickness.

(9) The present extent of voluntary health insurance in California through fraternal orders, trade unions, and commercial insurance companies.

Upon the comprehensive data thus gathered and presented in its report, the commission in 1917 unanimously concluded in substance that:

Social insurance represents an effective means of counteracting some of the harmful effects of sickness under existing conditions; social insurance is almost world-wide in its application; much has been accomplished in the prevention of poverty by such insurance; the prevention of sickness goes hand in hand with such insurance; sickness insurance next to accident insurance is the best developed form of social insurance; the workers recognize the importance of insurance; workers in California do not suffer, however, as much from sickness as in other states, but medical care is costlier in California than elsewhere; private hospital facilities are beyond the reach of the working man; and the conditions have resulted in the development of free clinics, dispensaries and lodge practice.

The commission did not recommend a bill for immediate adoption. It was feared that there were state constitutional prohibitions in the way. So, instead, a constitutional amendment was submitted which was voted upon in the fall of 1918 and defeated.

The third official body to report was the New Jersey commission, in the fall of 1917. This favorable report summarized the problem and the statistics and advocated compulsory health insurance as a means of distributing the risk. It discloses no new re-

searches, but contains an admirable summary of the existing facts at that time. The conclusion, which was unanimous, is as follows:

> The Commission is of the opinion that health insurance is a measure which gives great promise both for relieving economic distress due to sickness and stimulating preventive action. To secure these ends such a measure adapted to New Jersey's needs should be based upon the following fundamental principles:
>
> Existing health insurance agencies that are conducted on an adequate basis and at actual cost should with mutual management be utilized in the further development of a compulsory health insurance system.
>
> In order that the later effectiveness and economy of a universal system may be enjoyed, health insurance should be made to cover all regularly employed wage earners.
>
> Insurance should provide medical care and health instruction in order that its work may be both curative and preventive.
>
> To minimize the financial distress attending sickness, the system should provide a cash benefit during temporary incapacity from work. It should also provide maternity care to meet the special needs of working mothers.
>
> Health insurance should be democratically supported and managed by those directly concerned, the state bearing its share of cost and administration as it does under workmen's compensation.
>
> The system should be under the supervision of a special bureau of the Department of Labor with competent medical directors, and in close cooperation with existing public health agencies in order to place added emphasis upon the extremely important problem of sickness prevention.

"Dodging Health Insurance"

The next report was that of the second Massachusetts Commission, in 1918. This added little of importance, by way of scientific examination of the problem, except a study of dispensaries by Dr. Michael Davis and a detailed investigation of families receiving mothers' pensions, as well as of the relation of life insurance to dependency. The first brought out the great importance of dispensaries in furnishing medical service. The second showed the relatively brief time in which life insurance payments are dissipated.

The commission itself appeared to be concerned only with the views of different groups—the employers, employees, insurance companies and pharmacists—none of which, because of lack of study or experience, had much to contribute. This commission went against compulsory health insurance and favored instead the extension of the Massachusetts Savings Bank plan of voluntary insurance to cover sickness. The conclusions were based upon mere opinion. There was little supporting evidence. Instead of making scientific

analyses of the problems involved, the commission went out and asked an uninformed public to give it light upon a complex subject. Commercial opposition raised loud outcries and drowned the voice of the friends of health insurance. Thereupon the commission concluded that interest in the measure was waning. Time was wasted in trying to prove that the state did not want it, instead of determining its merits.

"Dodging health insurance," exclaimed the Boston *Transcript*. And, in an editorial strongly criticising the action of this commission, it added:

> If the subject of health insurance is to be under consideration at all it is well that it should be spoken of by men who have the courage of real convictions and not lamely discussed with the halting proposal of many alternatives. The present committee seems scarcely sure whether it has been engaged in the study of a question of fiscal policy or in a medical survey of the commonwealth. * * * The state has had enough of the footballing of social insurance from one committee room to another with artful dodgers avoiding the real issue at every critical pass.

Commercial Insurance Opposition Active

We come now to the reports in 1919. In that year seven commissions reported. These official bodies had the advantage of the studies made by previous legislative commissions, as well as by private and public agencies. They were, however, somewhat handicapped by the confusion into which the public mind had been thrown by the misleading, malicious and false statements emanating from an interested and active commercial insurance opposition led by the Prudential Insurance Company and the Insurance Economics Society of Detroit.

Up to this time the rule of reason had prevailed; facts were facts. People had not been told to doubt that the sun rose in the East and set in the West. It had not been deemed necessary to prove that things which had been accepted by all intelligent people as matters of scientific and everyday fact could not suddenly by the fiat of insurance representatives be disproved.

The official commissions held two national conferences: one in Philadelphia, in December, 1917, at which representatives from five commissions were present, and another at Cleveland, in May, 1918, at which six commissions were represented. These conferences resulted helpfully in a number of cooperative studies by several of the commissions.

The first of the 1919 reports came from Wisconsin. This commission consisted of two senators and three representatives. No investigators were employed. The commission contented itself with brief hearings and with summarizing the well-known arguments for and against health insurance. It sent out a questionnaire to 2,200 physicians asking what percentage of their work was charity, what percentage of their cases was due to poor housing, what percentage due to alcohol, and what percentage due to occupational diseases.

The commission also secured information of the fees charged by the 400 physicians reporting, as well as the different types of diseases they treated during 1917. The latter is an interesting study, showing 194,740 cases treated by the 400 physicians, or 486 cases per physician. Some doubt might be cast upon these figures since they indicate that each one of these doctors must be caring for more than 2,500 people!

The expenses of state sanatoriums for tuberculosis in Wisconsin were reported by the commission. It summarized the valuable statistics of the Employees' Mutual Benefit Association of the Milwaukee Electric Railway & Light Company. It gave the experience of the University of Wisconsin Department of Clinical Medicine in the care of students for a period of eight years. It also summarized the statistics on pauperism from forty-five of the county poor-houses. None of these data was used in formulating the conclusions.

The majority report concluded that there was no demand for health insurance and that few people had given any study to the subject. Indeed, it says: "The committee was at a disadvantage at all times during its investigations because the public generally know nothing about the subject and the few who did appear at hearings had only meager information." And the commission boiled down its conclusions regarding health insurance to this:

> Sickness of wage-earners can be provided against by reducing sickness.
> The standard bill does not provide for prevention.
> Contributions from the state would be unconstitutional.
> Occupational diseases should be compensated, as occupational accidents.

The Wisconsin commission argued for preventive measures, and for liberal appropriations. "We believe," they say, "that prevention rather than indemnification is a better solution of the problem. We see no reason why sickness of the wage-earner cannot be fully met by diminishing illness without attaching at the same

time to this effort a complicated plan of insurance as contemplated by the proposed health insurance legislation." That would have been a splendid "argument" against workmen's compensation if the commercial insurance interests had had anything to say when such laws were enacted!

Physical examination of school children was recommended in the report, as well as provision for district nursing centers, the creation of a child welfare bureau, liberal support for hospitals and sanatoriums, better housing, compensation for occupational diseases, and supervision of health insurance carriers.

The labor representative on the commission, in a minority opinion, took strong exception to the majority, pointing out that they were not appointed to determine the constitutionality of a bill which had been previously introduced, and making light of the majority's contention that the "voluntary thrift of the people of Wisconsin and the hardiness of the woodsmen of the last generation make health insurance today undesirable or unnecessary."

The Connecticut commission followed in general the lines laid down in Wisconsin. It was, however, more active in gathering material. Its report presented more pertinent data. But what it says about health insurance is based entirely upon *opinions* and is not the outgrowth of careful study or analysis of the material gathered. The arguments for and against health insurance are summarized briefly and, curiously enough, the report quoted at length in opposition an article written in 1919 by Frederick L. Hoffman about the breakdown of German compulsory health insurance as a result of the war. The article in question points out the insolvency of the fund because of investments in German government securities. Now, no person of any common sense would put the slightest credence in any statement about Germany's health insurance plan at a time when the whole social structure of Germany was crumbling. The commission might well have answered the statement by quoting the same author who, prior to the war, after personal investigation in Germany, announced in a public statement to the Massachusetts commission on old age pensions[1] that:

> There is no dissenting opinion, even on the part of life insurance managers, that government insurance has resulted in far reaching reforms, that it has been of vast benefit to the people and to the nation at

[1] Massachusetts, *Report of the Commission on Old Age Pensions, Annuities, and Insurance,* 1910, p. 88.

large, and that it has come to stay. * * * The interests of capital and labor have certainly been harmonized remarkably in Germany, and, speaking from personal observation extending over a generation, the contrast of today with the past is truly marvelous. How far government insurance has had a share in this progress it is of course impossible to say; but all with whom I have discussed the subject are but of one mind—that the effect, on the whole, has been decidedly for good.

The commission summed up the vital statistics of Connecticut, certain dependency statistics, and the duration and distribution of disability of some of the establishment funds in the state, and published in the report various proposed bills. Its conclusions were as follows:

We must grant that some of the arguments presented to us in favor of a compulsory measure appeal strongly to humane sentiment, and are convincing to the extent that more should be done by the state to improve living conditions and prevent disease; but they have not brought conviction to our minds that any of the measures heretofore presented should be enacted in Connecticut. Upon the evidence which has been presented to us and after a careful study of investigations made elsewhere, we feel that our state should not be the first in the United States to experiment with a plan or system which has not operated effectively and satisfactorily in other countries, and which must of necessity involve the expenditure of a large amount of money—too large a burden to be imposed at the present time. It may well be that this state should now improve and extend the code under which the Department of Public Health and Safety operates, so that health and sanitation may be more efficiently safeguarded. So may the compensation law be amended to cover occupational disease and thus aid in reducing the loss resulting from sickness. These changes can be made in harmony with our principles of government, and the correctional and curative features of the social insurance scheme may be incorporated in our laws without placing the state in any way in the field of social insurance. It may also be that some plan can be devised by which the insurance features of the social insurance scheme, which after all are only palliative, may be economically administered under rigid state supervision and control. In our opinion this time has not arrived, and for the reasons hereinbefore given, the General Assembly may with entire propriety postpone further legislative consideration of this phase of social insurance until the changes in our national, state and personal relations resulting from the war have been fully readjusted.

A Strong Report

In California the commission again reported unanimously in favor of health insurance. It laid down certain standards for such legislation, as follows:

1. **COMPULSORY.** Insurance must be both voluntary and compulsory, but as to at least a very large part of the insured, it must be compulsory. Experience in other countries has demonstrated the necessity of this. A purely voluntary system does not reach those who most need it; its overhead charges are necessarily larger; compulsory contributions from employers are impracticable, and it does not admit of free choice of doctors, nor of exemption from medical examination.

2. **CARRIERS.** In England the "friendly societies," unions, and similar voluntary co-operative bodies, are practically the sole carriers of insurance. In Germany, the carriers are private organizations, industrial groups, and the state. The commission concluded, in the light of experience in these other countries, and of the civic habits and traditions of our people, that the sole carrier of the medical benefit should be the state, but that the cash or wages benefit should be carried either by the state, or by a fraternal union, at the option of the insured, but not by private commercial companies, operated for profit.

3. **BENEFITS.** The commission agreed that the scale of benefits ought, if possible, to equal those now granted by California in case of industrial accidents, namely, full medical and hospital care and two-thirds of wages. For the sake of simplicity of administration, however, it would be admissible to divide wage-earners into groups, each with a standard medium or basic wage, and to compute the payment of premiums and of benefits on this basic wage, rather than making them an exact percentage of the individual wage.

4. **BENEFICIARIES.**—The medical benefit should include not merely the insured workman himself, but his dependent family (wife and children).

5. **PAYMENTS.** The insurance fund as such shall be self-supporting and shall be maintained by premiums paid by the insured employees and their employers. The commission thinks that these payments should be equal in amount, except in certain exceptional cases. Self-employed persons, being their own employers, if insured, will obviously pay both premiums. The state's contribution should go to the administration of the act itself (not the fund) as in workmen's compensation, and to equipping additional hospital facilities and medical administration. This payment by the state should, if possible, amount to one million dollars per annum, but by decreasing or delaying hospital equipment, it can be done temporarily for less.

6. **CHOICE OF PHYSICIAN.** Every insured person shall have the right to choose any doctor practicing under the act, and every physician and surgeon licensed under the laws of the state of California (as they now are or as they may hereafter be amended) shall be permitted to practice under the act.

7. **PAYMENT OF PHYSICIANS.** Physicians practicing under the act shall, normally, be paid by the "panel" or per capita system; that is, each physician shall receive a fixed amount, per year, for each

person (including each dependent) registered as choosing him as practitioner. Different arrangements may be authorized for specialists, for organized groups, and for isolated communities.

8. **ADMINISTRATION.** The act should be administered by the Industrial Accident Commission. There shall be, under that commission, a state and district medical administration.

A summary of the British Health Insurance Act and its practical operation as shown in official reports on administration is featured in this report. It includes also an article by Dr. Woods Hutchinson on the medical administration of health insurance and a reprint of the valuable studies of the first commission.

Compulsory Health Insurance Favored

The Ohio commission reported strongly in favor of compulsory health insurance.

The commission was charged with the duty of investigating sickness prevention, health insurance, and old age pensions. Their studies covered infant mortality and child welfare; the mortality and sickness statistics of Ohio and of the country at large; the relation of sickness to dependency; the duration of disability of 132,000 cases of sickness; the responsibility for sickness; the liability for sickness; the extent of existing forms of health insurance; the forms of health insurance in operation abroad; the health of Ohio coal miners; the problem of tuberculosis, feeble-mindedness, and venereal diseases. Expert investigators summarized for the commission the results of health insurance in Great Britain and Germany, as well as the proposed legislation in the United States.

A thoroughgoing reorganization of local health administration was recommended by the commission. This was at once enacted into law in the most comprehensive health code ever adopted by any state.[2] Other health measures, including medical health supervision of school children, were urged and several have already been written into law. As to health insurance the Ohio commission declared:

I. The principle of health insurance is approved as a means of distributing the cost of sickness.

II. Health insurance should be required for all employees to be paid for by employers and employees in equal proportion. The state should pay all costs of state administration as in the case of the workmen's compensation act and all costs of supervision of insurance carriers.

[2]Later much weakened by amendment.

III. The benefits to workers under health insurance should consist of: (a) cash payment of a part of the wages of workers disabled by sickness; (b) complete medical care for the worker, including hospital and home care and all surgical attendance and the cost of all medicines and appliances; (c) adequate provision for rehabilitation both physical and vocational in co-operation with existing public departments and institutions; (d) dental care; (e) medical care for the wives and dependents of the workers if the same can be done constitutionally and a burial benefit for the worker.

IV. (a) The exact form of organization of the medical service, including hospital and dental service, should be left largely to the State Health Insurance Commission which administers the act to develop plans to meet conditions in different parts of the state. Minimum standards should, however, be established to insure that such service shall be adequate.

(b) It should be clearly established that medical, hospital and dental care shall be adequately compensated.

V. The insurance should be carried in establishment funds mutually managed and in public mutual associations. Companies or associations writing insurance for profit should not be permitted to be carriers of such insurance.

VI. The system should be administered by a State Health Insurance Commission of four members. The state commission may fix such administrative districts as may be necessary and shall co-ordinate their work as far as possible with the local health authorities.

VII. There should be a reasonable waiting period of not less than six days before cash benefits are paid. Medical benefits should be given during the entire time of disability. Benefit payments should be continued as long as disability lasts, but not exceeding three years.

The Reconstruction Commission of the State of New York, reporting in April, 1919, after investigation and public hearings at which more than a score of prominent business, civic, medical, women's and labor organizations were represented, declared for health insurance legislation and expressed full accord " with the principle that **health insurance should be compulsory.**"

A Thoroughgoing Investigation

The investigation made by the Illinois commission was probably the most thoroughgoing of all. There is a wealth of original research in it and the facts gathered corroborate the studies of other commissions. The most notable of all studies was the sickness study of forty-one blocks in Chicago containing 3,048 families. This study brought out the facts regarding losses from sickness; the duration of disability; the severity rates; medical expense; ex-

isting insurance and the family budgets. Other studies undertaken were the present care of the sick; the occupational diseases; health of coal miners; benefit societies for foreigners; and a review of English and German insurance and of social insurance in the United States.

The commission sums up its findings as follows:

In a sentence we find:

(1) that somewhat less than 2 per cent are disabled by sickness or accident at a given time;

(2) that the percentage not disabled but who have serious affections which may call for medical care is distinctly larger;

(3) that approximately two-thirds of the wage-earning families will have one or more cases of serious sickness or non-industrial accident in the course of the year;

(4) that in something more than half of these families the illness will include that of wage-earner;

(5) that something more than a quarter of the wage-earners will be sick or sustain non-industrial accident in the course of the year and that about a fifth of the entire number will lose a week or more of employment because of the disability caused thereby;

(6) that the loss of time by wage-earners will average between 8 and 9 days per year for each wage-earner in the entire group;

(7) that the losses due to sickness and non-industrial accident are very unevenly distributed among wage-earning families;

(8) that the average loss in wages and medical bills connected with sickness and accident will approach $75 per year per family when spread over the entire group, amounting to 5½ per cent or more of the average family income;

(9) that the money cost of sickness and non-industrial accident borne by the wage-earners of Illinois is probably between $80,000,000 and $86,000,000 per year;

(10) that sickness and non-industrial accident are frequently accompanied by more or less important changes in the standard of living;

(11) that they give rise to deficits in a substantial number of cases;

(12) that in Chicago sickness and non-industrial accident would appear to be responsible for 25.3 per cent of the cases of poverty found in our investigations;

(13) that sickness and non-industrial accident are found as a cause or as an accompanying condition of dependency in from a third to half of the cases of dependency not giving rise to institutional care; and

(14) that tuberculosis and other chronic diseases are each found in from 20 to 25 per cent of the cases where sickness is a cause or condition of dependency.

After reading that statement by the majority one would expect the next paragraph to be a recommendation for health insurance. But no! We find the majority disapprove of health insurance because the individual is responsible for all sickness and industry has no responsibility; because such insurance is said, by the majority, not to have decreased sickness in Europe; and because it would be administered by the people through their government. Where these conclusions have any roots in the facts disclosed by the commission's own investigation, it is impossible to determine.

A minority—Mr. John E. Ransom and Dr. Alice Hamilton—pointed out that the facts of the investigation clearly point to the necessity for health insurance.[3] With that conclusion I concur.

The majority unwittingly destroyed their entire case by acknowledging that in the case of tuberculosis the state should pay the wages of men and take care of them in sanatoria. "Consistency, thou art a jewel." In fairness to the commission's chief investigator it should be said that the conclusions were by agreement made up and written independently by the majority.

The Pennsylvania commission was not appointed until the Spring of 1918, and because of the lack of time confined itself to the study of the sickness problem in Pennsylvania. Its report bears out all of the conclusions that have been reached by official and unofficial investigators other than commercial insurance investigators. The commission summarized the nature and extent of the sickness problem from several local surveys; the duration of sickness; the losses, due to sickness, to employers, employees, and the public; the existing hospital and medical facilities; the influence of working conditions upon health; the problems of sickness prevention; and presented a brief outline of health insurance.

The commission reached the conclusion that **there is a large amount of sickness among employees; that the losses to employers, employees, and the public are enormous; and that the facilities for caring for the sick, and for meeting the losses of sickness are inadequate.** And it adds:

IV. In regard to the influence of Working Conditions on Health—

1. Industry is clearly responsible for a large proportion of illness among employees.

2. Investigations of the industries of Pennsylvania have shown that

[3] See page 41.

"no other state has so wide a variety of those industrial processes which carry with them danger to the workers either because of poison in the form of fumes, liquids, or dusts, or because of mechanically irritating dusts which injure the throat and lungs."

3. Seventy-nine per cent of all the deaths of persons of working age in 1916 were from diseases whose connection with "important Pennsylvania industries has been established."

4. Death rates among persons of working age in Pennsylvania from degenerative diseases due in large measure to certain kinds of occupation, are steadily increasing.

V. In regard to Sickness Prevention—

1. Fully one-half of existing sickness could be eliminated if proper preventive measures were taken.

2. At present from 70 to 75 per cent of the school children in Pennsylvania are physically defective and for the most part the defects are correctable if treated in time.

3. A large number of communities in the state have no active health work, much less an adequate appropriation for health activities.

4. Nothing so stimulates preventive effort as definite responsibility for the losses entailed. Preventive measures proved inadequate to meet the problem of industrial accident until stimulated by the enactment of Workmen's Compensation laws. This form of social insurance has steadily reduced the number of accidents and the appeals to charity from families affected, and has proved practical in administration.

VI. Our own and other investigations prove that—

1. The responsibility for illness rests on three groups: the community, industry and the individual. At present these three groups are meeting the losses from illness in wholly unequal shares; the burden on the individual is often disastrous and out of proportion to his individual responsibility.

Some means of a just distribution of this burden should be found.

2. There is in Pennsylvania today urgent need for a program of health measures which will (a) provide for the efficient care of employees and their families when actually ill, and (b) provide preventive measures which will in so far as it is possible, prevent illness and increase the opportunity for health and vigor in the citizenship of the State.

The case for compulsory health insurance is fully made up by the eleven reports of official state commissions. It seldom happens that the evidence is so overwhelmingly one way. The reports here reviewed indicate clearly the nature and effect of the sickness calamity. They prove that existing provision for sickness, care and prevention are utterly inadequate. Finally, they show that cooperative measurement of the burden and collective action through social insurance is the logical way out.

Sickness Facts Indicate Urgent Need of Compulsory Health Insurance

By John E. Ransom
Member Illinois Health Insurance Commission
Superintendent Michael Reese Dispensary, Chicago

HOW great is the sickness problem in the state? What is being done to solve it? What more ought to be done?

These are the important questions the Illinois health insurance commission set about to answer. Special attention was given to the economic results of sickness to the wage-earner and his dependents, and to the existing provisions for meeting the cost of sickness.

On the ascertained facts, Dr. Alice Hamilton and myself, in a minority report, dissented from the conclusions of the majority at two important points: (1) as to the seriousness of the sickness problem, particularly in its economic aspects as revealed by our investigations; and (2) as to whether compulsory health insurance was indicated as a means toward its solution.

An exhaustive study of some 3,048 families, living in carefully chosen localities in Chicago, was made by the commission to the end that the findings would be typical of our wage-earning population. The data sought related themselves to sickness, medical service and protection against sickness risks. In detail they dealt with the extent, duration and costs of sickness; the nature and kinds of medical service; the extent and amount of insurance against sickness and death; the relation of sickness to poverty and to dependency, and other relevant information. The great value of this study lies in the fact that it gives us a cross section of the actual wage-earning community rather than of a selected group, such as the recipients of relief, dispensary patients or any other class of persons whose experience is typical only under the conditions which make them a "group."

A Serious Problem

What was the sickness problem of these 3,048 families? The investigation showed that 65.8 per cent of them had one or

more cases of serious sickness in the year. In 571 families serious sickness confined itself to wage-earners or members otherwise gainfully occupied; in 543 a gainfully occupied member and one or more dependents were sick; in 891 families the sickness was not that of a wage-earner. These figures signify that two out of every three families will have one or more of its members sick in a given year; one out of every three families will have one or more gainfully occupied members ill in a given year; one out of six families will have one or more gainfully occupied members and one or more other members ill. **The seriousness of the problem is thus made apparent by the extent of sickness.**

It has been frequently stated that if all sickness among wage-earners were spread over the entire group the average time loss would approximate nine days for each wage-earner. This statement has been used as an argument that such time loss is insignificant. But sickness does not so distribute itself. Of 4,474 wage-earners covered by the commission's studies, 937, or 20.9 per cent, lost a week or more. The average time loss of 901 of these was 7.35 weeks each, or 14.1 per cent of a year. Other studies of sickness among wage-earners show that of those sick for more than 7 days, 65 per cent will be sick for less than four weeks; 19 per cent from 4 to 8 weeks; 7 per cent from 8 to 12 weeks; 6 per cent from 12 to 24 weeks; 3 per cent for more than 6 months; and 1.29 per cent for more than a year. **Thus sickness is shown to be a serious matter because of the time loss it entails.**

Sickness costs include the two items of lost wages and expense of medical service. The commission secured data concerning sickness costs from 1,667 families. For these the average total cost of sickness was $97.98 per family. This represents an average income loss of 7.5 per cent. The cost-burden of sickness as well as the incidence of sickness was found to be heaviest **in the lowest income group,** being $107.33 in families whose incomes for the year did not exceed the equivalent of $850 for a family consisting of two adults and three children under fifteen. **Thus sickness is of concern because of its cost.**

Not only was sickness the cause of deficits in at least 12 per cent of the wage-earning families affected, but many (298 out of 1,909 families) in which there was sickness of a week or more

duration had no medical service at all and a much greater number received free medical service. In fact the commission's investigations show that at some time during the year 40 per cent, or two out of every five wage-earning families which had disabling sickness of a week or more duration, had recourse to medical charity. **Sickness thus has grave economic and social aspects.**

That sickness is an insurable risk is well established by the existence of flourishing mutual and commercial organizations providing insurance against that risk. In fact there is a great variety of these organizations in Illinois. To what extent does this existing voluntary health insurance meet the sickness problem which our investigations revealed?

Existing Insurance Costly and Inadequate

Less than one-fourth of the wage-earners studied reported themselves as protected by insurance against the risks of sickness. Only 13.4 per cent of those wage-earners who lost wages for a week or more because of sickness received any benefits partially indemnifying them for such loss. What they did receive averaged only 44.1 per cent of their loss from sickness. Taking the group as a whole, the disability insurance received was only 6 per cent of the wage loss caused by disabling sickness of a week or more duration. The lowest income group in which there was most sickness and greatest sickness cost had the lowest average benefit, or only 15.5 per cent of wages lost as compared with 43.1 per cent and 47.4 per cent respectively in the two higher-income groups. In nearly all instances the whole cost of sickness insurance is borne by the wage-earner. That which is carried by commercial casualty companies is very expensive, as evidenced by the fact that less than half of the money paid in as premiums is paid out in cash benefits to the sick. **What health insurance is at present carried by wage-earners in Illinois does little more than provide partial indemnity for lost wages, there being practically no provision for covering even a part of the cost of medical service.**

Such are the facts, briefly outlined, as revealed by the commission's investigations. What conclusions and recommendations did the majority of the commission draw from them? It did recognize

that Illinois has a real sickness problem. It made certain recommendations as to needed legislation for better protection of health and for the more efficient care of the sick. In this the minority concurred. None of the recommended legislation was enacted. The majority voiced the opinion that in practically all cases the individual alone is responsible for his own sickness and that neither society nor industry has any measurable share in bringing it on. It held that health insurance is a good thing; that it is comparatively new and the recognition of its importance is developing; that more and more people who need it will carry it and few cannot pay for it if they want it, and that the problem of those who cannot should be met by increased wages. As to compulsory health insurance, the majority held to the view that there is no evidence of its promoting health; that, barring certain occupational diseases, it is unfair to charge industry with any of the cost of sickness among wage-earners or their dependents; and even that the proposal to compel employers and the state to bear any proportion of the cost of compulsory health insurance was based entirely upon expediency. It was seemingly greatly alarmed by the political corruption which it felt would be sure to accompany the administration of the insurance funds. In view of these—and perhaps of other—considerations the majority concluded that the conditions disclosed by the investigation did not justify it in recommending compulsory health insurance.

Evidence is Conclusive

The minority members did not agree with the majority in its contention that the responsibility of industry and society for sickness is a negligible factor. Quite the contrary, we held that the facts show both industry and the community to be partly responsible for the losses due to sickness. We believed with the majority that health insurance is a good thing, but we recognized the fact, demonstrated by all experience, that if such insurance is to be extended to more than a fraction of the wage-earners it must be compulsory.

For these reasons we held that the results of the commission's investigations were conclusive evidence of the need for a system of compulsory health insurance which would be applicable to all members of the wage-earning group, would more equitably distribute the burden of the costs of sickness and would make more adequate provision for the medical care of wage-earners and their dependents who become sick.

We believed that cash benefits partially indemnifying the loss of wages and provision of medical care for wage-earners and their dependents—which would obtain under a system of compulsory health insurance—would be of great value in mitigating some of the unfortunate economic and social results of such sickness and attendant loss of income. We saw no reason why the organization of medical practice under compulsory health insurance cannot be effectively brought about so as to promote the best interests of all—the insured, the medical profession and the community as a whole. We could not share the fear of the majority that political corruption must needs accompany the administration of the funds under compulsory health insurance. Under such a system the insurance would be carried by local, mutual organizations, similar to those in which most people who carry health insurance are now insured, which would be standardized to qualify as carriers. The officials of such organizations would be elected by those who contribute to the funds. How such an organization could be subject to "political" control was not apparent to the minority members of the commission.

We made no claim that compulsory health insurance was intended primarily as a preventive medical measure. As in the case of other forms of insurance, it is not offered as a "panacea" or an instrument to eradicate the risk against which it offers protection. However, the British Medical Society is on record as finding that the medical care of English wage-earners has been materially improved under compulsory health insurance. Beyond question good medical care prevents much disabling sickness. **As workmen's compensation has led to a greatly increased interest in the safety movement, likewise universal health insurance will provide a powerful incentive to the prevention of disease.**

"A Vital Question"

STRONGLY supporting the adoption of compulsory workmen's health insurance, the committee on public health of the Reconstruction Commission of the State of New York, after carefully considering proposed legislation for health insurance, in its printed report to the Governor, submitted to the Legislature on February 12, 1920, said:

"It is clearly indicated by recent experience that health protection is essential, if we are to have sound, able citizens. No lesson of the recent war should be emphasized more than this. It is fundamental in the industrial and social life of the community that we have physically able and healthy citizens. There cannot be adequate industrial production, nor can the arts of peace be pursued effectively when people are suffering from the thousand minor and major ills, many of which can be prevented if adequate provision were made for proper medical care of workers.

"The economic disaster caused by sickness is due to the uncertainty with which sickness visits the individual. The individual cannot foresee the occurrence of illness, nor its length; if the individual is to have adequate protection he must be prepared at all times to defray the expenses of a maximum period of illness. But this maximum provision by each individual is financially impossible. Moreover, provision for, say six months' illness by each individual, even if it were possible, would be unduly extravagant. Sickness distributed among all workers averages about nine days a year. This sickness is confined to something like 20 per cent of the workers; and of these, illness of six months' duration is limited to approximately 3 per cent. It is wholly unnecessary that each individual, sometimes at the sacrifice of present necessities, should be prepared to meet the misfortune which will annually overtake less than 1 per cent of the entire group. The economical method would be to pool the savings for sickness, each contributing to a central fund sufficient to cover the annual average of nine days' sickness, a fund from which the 20 per cent who are sick may draw. This distribution of the hazard over a group is called insurance.

"The recognition of the advantage of this method has led to the development of health insurance by commercial insurance companies, establishment funds, fraternal organizations, and trade union funds.

"Insurance as applied to sickness has developed along three lines, through the voluntary efforts of the workers, through their efforts stimulated by government subsidy, and through legislation making insurance obligatory. The question as to which method is most suited to the extension of jointly supported insurance is a vital one.

"*The committee is in accord with the principle that health insurance should be compulsory, knowing the all too ready* tendency to consider expenditure for health protection a non-essential or too heavy burden on the budgets of workers."

The report concludes with the following resolution:

> "*RESOLVED, That the Commission record itself in favor of compulsory health insurance, and states its belief that the Davenport-Donohue health insurance bill at present before the Legislature will give to the workers of the State a measure of essential and enforcible health protection.*"

The Protection of Maternity An Urgent Need

By Irene Osgood Andrews
Assistant Secretary, American Association for Labor Legislation
Secretary, Maternity Center, Women's City Club of New York

MOTHERHOOD is now one of the most hazardous occupations open to women, according to an announcement of the federal Children's Bureau. At least 23,000 mothers die every year from causes due to childbirth. Thousands more become permanent invalids. The sacrifice of babies, too, is appalling—at least 250,000 infants under one year failing to survive. This disaster falls most crushingly upon the families with the lowest incomes—the wage-earners. And the real tragedy is that **it is largely preventable.** Fully half of this maternal and infant mortality will be abolished through a comprehensive plan for maternity protection.

Realization of the wastefulness and inhumanity of allowing mothers and babies thus to die needlessly has stirred many of the great industrial nations to action. Long before the world war European countries had adopted measures to safeguard motherhood against this evil. The war, with its appalling destruction of human lives and its vastly increased demands upon women to bear the burdens of production, brought the problem of maternity protection acutely to the foreground. The whole world stirred to the need of meeting it effectively.

It is not so surprising, therefore, as it is highly significant that the Peace Conference made a place for maternity protection in its program of safeguards for working people. For the first time in history the terms here laid down for the conclusion of a war, looking toward permanent peace, included provisions for the international protection of labor. And among the five topics specifically assigned by the Peace Conference to the first official International Labor Conference under the League of Nations[1] for discussion and recommendations, a position of first importance was given to the proper protection of maternity.

[1]For official text of Draft Convention concerning employment of women before and after childbirth, as adopted by the International Labor Conference, see *American Labor Legislation Review,* Vol. IX, No. 4, December, 1919, pp. 534-535. For summary of the report of the Organizing Committee submitted to the International Labor Conference, relating to maternity protection, see *American Labor Legislation Review,* Vol. IX, No. 3, September, 1919, pp. 309-310.

What is this maternity convention? What progress has already been made in various parts of the world toward applying its standards? What is our need in the United States?

Briefly, it aims not only to keep the mother from her employment at this most critical period but also to secure for her medical care and financial assistance which will in a degree recompense her for loss of wages and prevent a lowering of the standard of living just at the time when needs are greatest. The conference agreed that the rest period should include the six weeks following childbirth with the additional right to leave work six weeks before childbirth upon presentation of a medical certificate stating that confinement will probably take place within that time. During this absence from work the mother must be paid "benefits sufficient for the full and healthy maintenance of herself and child," and free attendance by a doctor or certified midwife is to be provided. These benefits are to be paid either out of public funds or through a system of insurance, and are to apply to mothers whether married or unmarried.

While the conference recognized the necessity for a proper period of rest and relief from undue physical strain immediately before and after childbirth it also provided that a nursing mother when re-employed should be allowed "half an hour twice a day during her working hours" for the purpose of nursing her infant. While this provision does not specifically provide for the establishment of factory creches or nurseries it tends in that direction since in few cases do mothers live near enough to their work to go home for these brief periods, and their infants to be nursed would have to be kept near the factory.

For the protection of women who are unable to return to work because of illness arising out of pregnancy or confinement, the draft convention provides that the competent authority in each country shall fix a period within which the employer may not dismiss them from their position. It was urged that this period be at least one year, but the conference finally left the exact length of time to be determined by the various governments.

In many countries laws for the protection of maternity already include provisions similar to those of the draft convention but in no country has the complete program yet been adopted. Although at least twenty-three countries and five American states have prohibited work, usually for periods of two or four weeks before and four or six weeks after childbirth, the distinction of having already adopted the twelve-week rest period belongs to South Africa. In at least seven countries a mother's place of employment must be kept open for her during the period of rest.

Practically all of the civilized countries, and some which we have not considered entirely civilized, have enacted this prohibitive legislation, and thirteen have provided some form of cash maternity benefit. Such benefits are usually paid weekly for the duration of

the required rest period, or in some instances in the form of a "lump sum." The amount of the cash benefit in England amounts to a maximum of about $15 and in Australia $25. The Netherlands and the newly created nation Poland are the only two providing for a sum equal to the full average wage—in Netherlands for the whole time of incapacity and in Poland for eight weeks. In England a woman who is incapacitated for work can also claim, in addition to the lump sum of $15, a sickness benefit of 7 s. 6 d. a week for twenty-six weeks following the four after confinement. Norway and Czecho-Slovakia provide 60 per cent of the wages for the prohibited period. In England, Czecho-Slovakia, France, Germany and the Netherlands benefits are given to women in practically all employments and in Australia to all women.

For the encouragement of breast-feeding several countries, including Czecho-Slovakia, Norway, Roumania, France and Switzerland, either increase the cash benefit or extend its duration, or both.

Even more important than cash benefits in reducing infant and maternal mortality is proper medical and nursing care such as is provided for in the sickness insurance funds of Germany, Norway, Czecho-Slovakia, Poland, Roumania, in some cantons of Switzerland and in the proposed workmen's health insurance legislation in the United States. The absence of proper provision for medical care is the serious weakness of the acts in England, Australia, France and Italy.

The draft convention of the International Labor Conference drew upon the most enlightened plans already in practice in providing for mothers gainfully employed in industry or commerce both medical and cash benefits during the period when they are prohibited from earning their usual wage. This, of course, is only simple justice. But we in the United States have failed to make such provision. Five states—New York, Massachusetts, Connecticut, Missouri and Vermont—have forbidden the employment of women for periods of two to four weeks before and after childbirth, but no state has provided either cash or medical benefits. **The proper protection of working mothers, such as is provided in the health insurance measure advocated by the Association for Labor Legislation, should be one of our first demands.** In the present state of public opinion, however, it is quite possible that more rapid progress can be made in some states if we separate the maternity protection problem from the general health insurance problem and place it on our immediate program.

In considering any program for America where the proportion of working mothers is not so great as in many European countries, the question will doubtless be raised as to whether we should not consider at once a program which will include **all** mothers.

Most of us are accustomed to hear of the hardships of women

and children employed in factories, but how many of us have become acquainted with the hardships borne by the mother in the average workingman's family? Unfortunately the father's wage is not increased as each new baby comes and the mother is compelled to spread still thinner the already insufficient income. At the Maternity Center in New York, where I have come in close personal touch with this problem, child-bearing mothers are compelled to be cook, laundress, scrubwoman, seamstress, and nurse—all upon a pitifully insufficient income—often with both day and night service; and now we expect them to be intelligent voters also. Today thousands of mothers are bearing burdens which no civilized society should permit. And the children—innocent victims—are enduring such physical and mental handicaps as no intelligent state should allow.

The federal Children's Bureau states that 20 per cent of the baby deaths within the registration area occur before the baby is forty-eight hours old; and the first month takes nearly one-half of all who die before they are a year old. More mothers between the ages of fifteen and forty-four die of causes due to childbirth than to any other cause except tuberculosis, and the number of such deaths greatly increased in 1918. Of fourteen countries in which we have comparable statistics of maternal mortality the United States stands second from the bottom—only Spain and Switzerland have a greater maternal mortality. Where two mothers die in Sweden, five die in the United States. How much longer are we going to permit this unnecessary—for a large part of it has been demonstrated by both public and private agencies to be unnecessary —mortality?

In the Maternity Center Association of New York City we are beginning to analyze the more than 20,000 cases recorded with us and we find that our mortality rate is only one-third to one-half as high for babies and mothers as in the country at large. Similar results have been repeatedly achieved elsewhere through similar nursing and educational work.

If we are willing to face the facts in regard to infant and maternal mortality, if the state is really desirous of producing a strong and vigorous population, and if we really wish to relieve the suffering and injustice arising from our neglect of existing conditions, we must undertake, and undertake soon, a comprehensive plan of maternity protection.

The feeble beginning already made in a few states toward the legislative protection of motherhood should be at once supplemented by a comprehensive system undertaken cooperatively by the state and federal governments and providing through properly conducted maternity centers adequate medical and nursing care. This program —already suggested in the Sheppard bill in the United States Senate and projected in measures now being drafted in several states— should stand as a minimum. As rapidly as possible this scientific care should be supplemented by cash benefits sufficient to insure to the mother and child at least the minimum necessary for healthful maintenance.

The Unemployment Program of the International Labor Conference and Its Application to the United States

By Don D. Lescohier
University of Wisconsin; Author of "The Labor Market"

FIVE proposals for combatting unemployment were laid before the United States and the rest of the world by the International Labor Conference of the League of Nations at Washington in November. They include the creation of an adequate national system of employment exchanges; abolition of private employment agencies operated for profit; co-operation between the national systems of the various countries in handling the international distribution of labor; reciprocal admission of aliens to the benefits of unemployment insurance and of protective labor laws in the several nations; and definite recognition of the right of the employers and wage-earners of each nation to be consulted in the management of its public employment offices and its labor recruiting policies.[1] These proposals now wait upon our action.

A national system of employment exchanges is necessary to the efficient development of production and to the protection and welfare of our wage-earners. Those most familiar with the migrations of population to and from America have noted again and again the need for some national agency, with its finger on the pulse of the labor market, advising the nation upon the desirability of stimulating or discouraging emigration or immigration. Most of us would agree that in controlling movements of labor from nation to nation those **in industry** should be consulted before action is taken by employment exchanges. This consultation of the views and interests of the employers and workers affected by importation or exportation of labor will be most easily accomplished by a national employment service in each country

[1] For official text of Draft Conventions and Recommendations, as adopted by the International Labor Conference, see *American Labor Legislation Review,* Vol. IX, No. 4, December, 1919, pp. 533-534.

communicating through the official International Labor Office with the national employment services of the other nations affected.

The development of an adequate permanent nationwide organization of the labor market is the basis of the whole program. National systems of labor exchanges in all countries are indispensable to co-operative international control of labor shifting, while unemployment insurance could hardly be a success without some adequate means of offering jobs to idle men.

But the creation of a national employment service will not in itself constitute a solution for the other problems. **The area of labor supply and labor demand has become international and the machinery of the labor market will have to be internationally organized.** The development of efficient agencies for the distribution of labor will, in turn, make it still more evident that millions of workers lose time each year because of fluctuations in the demand for labor, and that the workers need some form of insurance against idleness due to such fluctuations of employment. It may be expected that the demand for such insurance will grow more and more insistent and that it will be met by special legislation in the several nations. The new international conscience developing out of the war insists on a square deal for wage-earners of one country who are employed in another country, but positive enactments and the repeal of existing discriminatory legislation in the several countries will be necessary to put this principle, as recommended, into effect.

The United States Employment Service was both a fortunate and an unfortunate episode in the movement for a national-state system of employment exchanges. It brought the idea, for the first time, to the attention of untold thousands of Americans. It aroused in them the hope that the iniquitous private fee-charging agencies would be done away with. It created in them an interest in efficient, responsible labor distribution. But the haste in which the service was created, the incompetence of much of its personnel, its blunders and wasteful financial policies, prejudiced many against the proposal to create a national service and furnished arguments for those whose interests, or supposed interests, were antagonistic to such service.

The emergency, war time employment service is no criterion of what a national employment service ought to be or can be, either

in the structure of its organization, its policies, its cost, or its personnel. It was not created for economic but for military service. It did not give due weight to considerations of controlling importance in normal times precisely because it was created for a special purpose in abnormal times. It made no effort to use its funds economically because speed rather than economy was the nation's need at the time, and it had to pick up its office force wherever it could in a depleted labor market and under the pressure of political considerations that apparently were not forgotten even in time of war. The shortcomings of the United States Employment Service cannot be justly advanced as faults inherent in, or even probable in, a permanent federal-state employment service.

What, then, are the basic features of a concrete plan?

A national employment service should be co-operative. It should provide co-operation in two ways: (1) between the federal, state and local governments, and (2) between the government, the general public, the employers and the wage-earners.

Co-operation between the federal and local governments should involve joint financial support of the service, joint participation in its control and administration, and definite, mutually satisfactory policies for dealing with intrastate, interstate, and international exchange of labor.

A co-operative service is preferable to a purely federal service because local conditions and problems should receive first consideration. A purely federal service is apt, unconsciously, to develop a habit of mind in which labor is looked upon as a commodity and the employer as the customer. Such an attitude will cause the service to lose sight of the human side of labor placement. It will undermine and defeat the chief purpose of a public employment service, which is the stabilization of employment, geographically and industrially. The local office of an employment service, whether federal or state, must first serve local needs; and afterward, the needs of outside communities. It must keep labor at home as much as possible, recognizing the movement of labor as an unfortunate condition in the labor market to be reduced to a minimum.

There is a much more important reason why the employment service should emphasize the geographical stabilization of labor. The interests of the nation, as well as of the workers, require that as

large a portion of the workers as possible be kept at home with their families. The human aspects of labor placement can hardly be over-emphasized. And a service which is concerned primarily with the local phases of the problem will be much more likely to develop policies that are human, rather than wholly industrial.

It is urged that a purely national service will produce more complete uniformity than a federal coordination of state services. But is complete uniformity desirable? During the war, it was found that state and local offices which disregarded Washington's efforts at standardization succeeded quite as often as those which obeyed. Can the same detailed policies succeed in "manufacturing" Pennsylvania as well as in "agricultural" Idaho? Are the employment problems of Chicago identical with those of rural counties in Illinois? Are the problems of rural Illinois the same as those of rural North Dakota, or of the cattle country of Arizona? The basic uniformity that is necessary in record systems, reports, clearing houses, and interstate cooperation can be attained in a federal-state cooperative service as well as in a purely state service, without preventing that adaptation to local conditions and that process of experimentation in the several states which are so necessary during the early years of our national employment service. A purely federal service is in danger of putting up a sign (again unconsciously): "Don't think unless you live in Washington."

It is assumed by advocates of the purely federal service that the federal government will provide better salaries and will exercise more care in the selection of the personnel of the service; thereby securing a more competent personnel. I am not disposed to admit that this assumption is correct. There are two sides to the question of federal civil service rules for the selection and retention of an employment service personnel. It is not clear that federal officials in general are superior to the men doing the same type of work in many of our states.

The ideal system appears to be one in which the control and general direction of the service rests in the federal government, and federal funds bear a large portion of the expense, but in which, through a substantial contribution to the cost of the service and participation in the management, the state and local point of view is given due weight.

I do not believe it possible to determine what proportion of the

expense should be borne by the federal government on the basis of what proportion of the placements are interstate, rather than intra-state or intra-municipal. Radical differences will always obtain between different states and cities in the percentage of placements outside the state.

The gathering and diffusing of information, however, with respect to conditions in the labor market is distinctively a federal function which should be financed by federal funds.

The division of the cost of the service between the federal and local governments must therefore be determined arbitrarily. It would be feasible to require that each shall pay the expense of certain parts of the service, but not feasible to try to make each pay according to the benefit it receives. The federal government, for instance, might maintain the central organization at Washington, including a national clearing house; provide franks for postage; print all forms, and apportion definite subsidies to the states to help support the state clearing houses and state organizations. The state government might bear the expense of its central office and state supervisors, and contribute to the maintenance of the several local labor exchanges. The municipality might at least provide office space for the local exchange, janitor service and heat, light and water. The essential point is that it is proper to charge to the municipality, the state and the federal government parts of the costs of the service.

It is likewise a good policy from the point of view of efficiency. If each of these three units is paying part of the bills, each will be watching the work of the offices and insisting on results for its money. Many a federal official, two thousand miles from his central office, gradually slips into a perfunctory performance of his duties. An employment service cannot succeed by perfunctory service. The local interest in the offices will tend to keep the officials alert; the federal interest will keep alive a sense of obligation to a wider geographical area.

The question of actual administrative control is a delicate one under the plan of joint financing. Someone must determine the policy of the service and see that it is carried out. Each government unit which contributes funds will desire to retain an effective control over the expenditure of its funds, and yet divided authority is no authority. A solution for this difficulty can probably be found in a plan which permits the federal government to supervise and to control the general policies of the service, set standards of

efficiency for the state clearing houses and local exchanges, and furnish centralized supervision and advice; the state government to select the state superintendent and furnish the detailed management of the state service; and the municipality to work out its own special problems.

The typical American likes local responsibility. He believes in keeping the management of public enterprises close to the people directly affected. The federal government has been able to promote agricultural development, vocational education, and highway construction by subsidies conditioned on the federal rights of supervision, of inspection and of withdrawal of federal funds if the states fail to maintain proper standards in the work.

The service must also be co-operative as between the government, the public, the employer and the wage-earner. This can be accomplished in but one way—the practical direction of the service by a sort of board of directors in which the several interests are represented. **I suggest a National Employment Service Council, largely composed of persons from private life, with definite powers and functions for the administration of the service.** This council should include in its membership representatives of the Departments of Labor, Agriculture and Commerce, of the manufacturers, railroads and mining interests; of the American Federation of Labor; of the railroad brotherhoods and the mine workers' unions; and from three to five persons appointed by the President to represent the public and unorganized labor. At least two members of the council should be women.

This council should have real, rather than nominal, power to direct the administration of the service. It should have power to suggest changes in the personnel of the executive staff; should work out the policies of the service; should be the agency through which complaints and suggestions for the improvement of the service should be given consideration and attention; should cooperate with the executive officer or director of the service in preparing the budget and in distributing the funds to the different parts of the work; and should have power to make recommendations to Congress, directly or through a cabinet officer, for the development and improvement of the service. The council should meet regularly; should have a permanent secretary, and should have such other clerical, research and investigating assistance as its work requires.

No public employment service can be a success unless it commands the respect, confidence and co-operation of both the employers and the wage-earners. It is essential that they have a mutual interest, mutual sense of ownership, mutual pride and confidence in it. Public employment exchanges in the United States (municipal, state and federal) have heretofore failed to win the unquestioning support of either the employers or the wage-earners. The employers have not had confidence in either the capability of the service or its neutrality. Many of them have been hostile to the employment exchanges because they have been affiliated with state or federal labor departments, which the employers have assumed, sometimes correctly, are pro-labor and anti-employer. Others have opposed them simply because they were government offices, not believing that government officials can efficiently select workmen for industries. Others look upon all employment agencies as places to which an employer should resort only in the last extremity and with no expectation of finding good workmen.

The workers have had their doubts, too. Employment agencies have seemed to them a sort of semi-charitable relief in times of unemployment, to which a man should resort only when he had tried all other ways of getting a job and been unsuccessful; and a place of resort for gangs of casuals, who will not do or cannot do steady work.

A similar mixture of hostility, indifference and lack of confidence was manifested by British employers and workmen toward the British exchanges when they were first established. But ten years' experience changed the situation materially and accustomed British industry and its wage-earners to the utilization of the exchanges in their everyday work. The reports from the various countries at the International Labor Conference at Washington indicate that a similar difficulty has been encountered by the public exchanges on the Continent.

I do not believe that a really successful system of national employment exchanges can be developed unless a council on which the employers and the workers are represented is attached to the service and participates in the actual management of it. A mere advisory council is not sufficient.

Great Britain was fortunate during those early years in having the Board of Trade, in which both the employers and the workers have a sense of ownership, to take charge of their service. When

they transferred it to the Ministry of Labor, during the war, it was found desirable to create advisory councils of employers and workers to hold the confidence of the two groups in the exchanges.

An efficient system of clearing houses is another essential to national regulation of employment. Our war time experience apparently demonstrated that the most effective plan for the United States is to have a clearing house in each state, and a national clearing house at Washington, without any intervening district clearing houses. Large cities like New York and Chicago need municipal clearing houses, to transfer orders from one office to another within the city or county. But in a majority of the states only state clearance is needed.

The abolition of private, fee-charging agencies; and the absorption by the national service of private free agencies, are likewise essential steps in the process of organizing the labor market. The private agencies conducted for profit have been guilty of such iniquitous practices that there is a widespread demand for their eradication. The Organizing Committee of the International Labor Conference reported that "scandalous exploitation of unemployed and impoverished workers has been practiced in many countries by private registeries, when these are not under the supervision of public authorities." Free private agencies, on the other hand, though not dishonorable, in most cases savor either of philanthrophy, paternalism or black lists. Both of these classes of agencies are therefore open to serious objections.

But their fundamental defect is their lack of relation. Each operates individually in its own locality or sphere. **The distribution of labor can be efficiently carried on only by an organization that controls the whole field.**

The proposal relative to international labor recruiting was evidently intended as a negative rather than a positive measure. It is apparently devised to prevent employment agencies, public or private, free or fee-charging, from recruiting "bodies of workers in one country with a view to their employment in another country," without a formal agreement between the nations, formulated only "after consultation with employers and workers in each country in the industries concerned, such agreement to regulate, control and limit the amount and nature of the recruiting.

In practice, the effort to carry out this convention would

inevitably place the whole matter of international labor recruitment in the hands of the respective national employment services. They would be the government departments best informed upon the conditions of labor supply and labor demand in the particular industries involved; their machinery would be best adapted for consultation with the employers and workers in those industries, and they would be the only agency which could be trusted to carry out the agreements reached between the two countries. The definite adoption of the suggestion would have two results in the United States: It would prevent private agencies from shipping labor across national boundary lines, and it would perhaps compel us to modify our contract labor law to provide that individual employers might recruit labor in foreign countries through the national employment service, if the service found, after consultation with the workers in the industry and after looking over the available supply of labor in the country, that the labor needs of those employers could not be met in any other way.

The safeguards which would protect us from the misuse of this plan are two: The existence of a national advisory council, attached to the employment service, on which the workers and employers would be represented; and the necessity of consulting the employers and workers in each country before agreeing to the recruiting and shipment of the labor. Whether these safeguards are adequate is a matter for serious consideration. The movement of population to America is in so many respects a different type of phenomenon from the shifting of labor back and forth over international boundaries in Europe, that our policies may have to differ from those which are proper for those nations. Their problems are in many cases more analogous to our interstate movements of labor than to our immigration.

As to unemployment insurance, no definite plan was advanced by the Labor Conference. Unemployment insurance can be worked out in America, and probably will be in time. A majority of us endorse it in principle. Few of us would object to the reciprocal admission of aliens to the protection of our labor laws, as tending at least to equalize competition between laborers for employment. **But the creation of a comprehensive, efficient and neutral federal-state employment service, manned with a trained and progressive personnel, inspired by sound ideals of national service, and functioning for both economic and social progress, is the immediate need of America.**

The Challenge of the Industrial Situation in America

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WHEN the policemen of Boston went on strike some time ago, and rowdies and criminals began to hold carnival in the streets, the whole country was shocked. The President of the United States paused in his cross country tour in behalf of the peace treaty to express his abhorrence of their act. Such a strike leaves the community defenseless, with no power to compel obedience to the law. It was an outraged public that turned its gaze on Boston. In thousands of editorials, sermons and speeches the policemen of that city were condemned, and the Governor, who would not treat with them or give them back their jobs, received unstinted praise.

At about the same time, in another state, another group of policemen were distinguishing themselves; not by leaving their jobs, but by increased activity in them, not by striking but by helping to break a strike. In Western Pennsylvania, in September and October, steel workers who were on strike were being arrested on petty or indefinite charges and fined or sent to jail. Some of them were beaten in their cells. Some were threatened with death. Peaceful out-door meetings were broken up by men on horseback. Wives of strikers were arrested on trivial or trumped-up charges.

All of this and much more was told in great detail to the committee on education and labor of the United States Senate by eye witnesses and by the victims themselves. Much of it has been published in reputable journals. But it did not greatly impress the senators, and it has stirred the indignation of the public not in the least. That same public which recoiled with horror when the police of one city abandoned the streets to law breakers does not have its complacency ruffled when the police of another city themselves resort to violence and law breaking.

This amazing inconsistency appears to be typical of the thinking just now of the dominant group in American life. By dominant group I mean those who control the press and the agencies of pub-

licity generally, as well as the business interests, whose dominance is even more real and fundamental. In this group there is as never before fear and suspicion of the aims and motives of organized labor. Consequently, the prevailing sentiment favors suppression, rather than understanding; and acts of violence in furtherance of that suppression are condoned by the very group who call themselves defenders of law and order.

This situation is rendered the more acute by the attitude of the daily press, which, at a period in American history when, above all things, sane leadership and wise counsel are needed, is, with certain honorable exceptions, playing a most ignoble and unpatriotic role. It is no less than incitement to violence to say, as did the New York *Times,* editorially on November 16, "*We must repress, deport, make impotent the irreconcilable radicals. To them no mercy should be shown.*" Nor is it any less, but rather more revolting to good sense, good morals, and good order to pervert, suppress or deny the truth with respect to labor unrest and its causes, as most of the leading newspapers of the country have done in the case of the steel strike and other recent strikes. Certain newspapers, without a scintilla of evidence, have solemnly told their readers, day after day, that the steel strike is a revolution, that its leaders are plotting the overthrow of the government of the United States, and have refused to print the truth concerning the long hours and the denial of collective bargaining characteristic of the industry, which is the cause of the strike.

Animated by a similar frame of mind, certain outstanding leaders of thought, upon whom we ought to be able to depend for constructive leadership, are talking loosely and irrationally of suppression and violence. Senators and cabinet members are among those who are thus rocking the boat in time of storm. Organizations like the American Defense Society are springing up, making appeals to passion and class prejudice. It is this organization which is trying to induce Congress to pass a law to "deport all alien agitators or to dispose of them in any other effective manner." On the wave of excitement and misinformation thus aroused, certain members of the American Legion, composed of men whom the whole nation delights to honor for their courage and patriotism in war, are in danger of forgetting, in time of peace, that patriotism requires, first of all, the maintenance of the dignity and power of government. One of the most serious phenomena of our time is the tendency on

the part of certain groups of returned soldiers to take the law into their own hands and to attempt to regulate the activities of both private citizens and public officials.

Out of all this intemperate thinking has arisen a demand for the suppression of "radicalism." In the unreasoning attitude of the moment industrial unrest has come to be looked upon as a manifestation of undesirable radicalism, and the remedies proposed are suppression, force, the mailed fist. If we consider the three most recent and most important centers of industrial controversy—steel, coal and the railroads—we shall see how the agencies of government itself have been swept into the prevailing current.

When the steel strike began, on September 22, the first act of the sheriff of Allegheny county, Pennsylvania, was to issue a proclamation forbidding the gathering together "upon the highways or vacant property of populous sections" of as many as three people. Months before the strike began mayors of some of the cities, and burgesses of many towns in Pennsylvania had forbidden the holding of meetings for the purpose of organizing the steel workers. Before the strike began there could have been no purpose in this action but a desire to place obstacles in the way of the effective organization of the workers in the steel mills for purposes of collective bargaining. After it began, the ostensible purpose was the prevention of riots, although there was no suggestion of disorder, as the sheriff of Allegheny county has admitted, and although where meetings have been permitted, as in Ohio, they have been orderly and peaceable throughout.

The placing of the power of the local government behind the efforts of the steel companies to prevent their employees from organizing, the definite espousal by the government of one side of an industrial controversy is serious enough in itself. The situation becomes increasingly sinister when government becomes identical, in personnel, with the dominant economic interest involved in a controversy. At Bethlehem, Pennsylvania, the mayor is also vice-president of the Bethlehem Steel Company. Here the chief of police interfered directly to prevent the leasing of a hall to those who were directing the organizing campaign. Later, when the strike was called, the mayor himself issued an order prohibiting the holding of meetings.

At Clairton, near Pittsburgh, the burgess is chief clerk in the offices of the Carnegie Steel Company. He issued a proclamation at

the beginning of the strike forbidding the holding of meetings and the gathering together of groups of people in the open. He stated also in his proclamation that the strike was not desired by the workers in the mills.

The mayor of Duquesne, Pennsylvania, who would not permit the organizers to hold a meeting anywhere in the city, indoors or out, saying that *"Jesus Christ cannot hold a meeting in Duquesne,"* is president of the First National Bank of that city and a brother of the president of the McKeesport Tin Plate Company, one of the companies involved in the strike.

The acts of local officials in interfering with assembly and free speech and the acts of the police under their control in breaking up meetings, assaulting strikers and dragging men and women to jail on the most trivial of pretexts is clearly contrary to the spirit of the constitution of the United States. Every such act leads to distrust of constituted authority and is as serious an attack on the integrity of the federal government as any propaganda from sources openly anarchistic. That there is not swift condemnation of them, as there was of the policemen's strike in Boston, is an indication of the seriously unbalanced thinking of the times.

The part played by the government in the recent coal strike is too well known to require restatement here. I shall refer to it only for the purpose of indicating its significance. Throughout the controversy—until the discovery was made that such methods would not produce coal—the government used the method of suppression and coercion. Long before the strike was called, or even voted, the government had opportunity to deal with the causes that produced it. The government knew that in coal mining there is not enough work to go around. It knew that unemployment is so common and so protracted that the miners have great difficulty making a living, even when the wage rate is high. If the government did not know it the Geological Survey did, and so did the Department of Labor. With this knowledge the government could have taken action to relieve the situation. It could at least have extended war time control, with a view to stabilization of employment. Better still—and the only way, in my opinion, by which the labor problem in the coal industry has any hope of solution—the government could have brought forward a plan for permanent public control.

But it did neither of these things. Instead, it washed its hands of the matter. It was not interested in "reconstruction." It withdrew

from the coal situation, and left the miners to work out their own salvation. So left, the miners took the only means available for securing an improvement of the desperate situation confronting them. They voted to strike.

Then the Lever act, which had been put into the discard, was resuscitated. The miners were told that it would be illegal to strike. When they did strike, instead of being prosecuted under the law they were supposed to have violated, the leaders were served with an injunction, not only restraining them from directing the strike, but requiring them to withdraw the strike order.

In other words, having been left by their government with no agency of protection but the strike, they were told to make use of that agency at their peril.

The futility of such coercive measures, designed only to repress and not to afford means of escape from conditions requiring adjustment, became evident at once. While the leaders obeyed the injunction, the miners did not go back to work. Fortunately the proposal that arose in some quarters, to arrest striking miners and jail them for contempt—as if the Thirteenth Amendment had never been written—was not acted upon. It was only when coercion was abandoned and negotiation and reason took its place, that the miners went back to digging coal.

Despite this evidence of the failure of coercion there is now an insistent demand that in public utilities strikes shall be made illegal. The Cummins bill, which has passed the United States Senate and is now in conference,[1] provides that all wage controversies in which

[1] Since the above was written Congress has passed and the President has signed (February 28, 1920) a bill, revised in conference, for the regulation of the railroads. The labor sections of this law make it the duty of the railroads and their employees to confer over and attempt to adjust all controversies. Provision is made for the voluntary establishment by the railroads and their employees of Boards of Labor Adjustment, to which must be referred all unsettled controversies excepting those relating to wages. A Railway Labor Board is created composed of nine members to be appointed by the President; three members to be representatives of labor, three of the railroad corporations and three of the public. All controversies not settled in conference, or by the Adjustment Board must go to the Railway Labor Board and the latter has power to make a final award. In the case of wages the Board has power of review over agreements reached directly and may modify such agreements if they are likely to require increased rates in order to provide sufficient revenue to meet them. No penalty for violation of the law by disregarding awards is provided, other than publicity. The law is, however, mandatory in character, and it is probable that injunction and contempt proceedings could be invoked to enforce compliance. If this should prove to be the case, the law will be in effect one of compulsory arbitration.

railway employees are concerned shall be decided by a "committee of wages and working conditions," which is created by the bill, and which is to consist of eight persons, four to be representatives of labor and four of the railroad corporations. If the committee should be evenly divided on any proposition, the case is to go automatically to the "railway transportation board," consisting of five members appointed by the President. The board is to have final jurisdiction.

The bill then makes it illegal for two or more persons to enter into a "combination or agreement" to interfere with the operation of trains and provides a penalty of $500 fine, six months imprisonment or both. The effect of this bill, should it become a law, would be to establish compulsory arbitration on the railroads and to make strikes illegal.

The bill proposes to take away from the railroad employees the right to exercise economic pressure in the direction of an improvement of working conditions. It proposes to take away rights that have been built up by centuries of struggle, and consequently held sacred by workingmen everywhere. It is inconceivable that such a thing should be proposed without attempting at least a *quid pro quo*. Senator Cummins himself, in reporting the bill out of committee said: *"In making the strike unlawful it is obvious that there must be something given to the workers in exchange for it."*

The thing given in exchange is the board, which is to have final determination of all controversies. It is but a play on words to call this an exchange. What the workers lose is a right—only new rights can fairly or properly be offered in exchange, and this the bill does not attempt to do. It says that, in determining wages and salaries, the board shall *"take into account"* certain factors, including the prevailing rate of wages in other industries, cost of living, hazards of employment, degree of skill and responsibility required and the character and regularity of employment. It nowhere *requires* the board to establish a scale of wages *with any fixed relation to* these factors. It need only take them "into account." The workers therefore are left as completely devoid of rights or of any means of securing them as the miners were under the injunction, and the threat to the liberties of the miners was not so great as is the one contained in the Cummins bill, for the injunction applied to a single mining controversy, while the Cummins bill is to apply to all controversies on the railways.

In this proposal, as in so many discussions of the question of

who should have the right to strike, the theory seems to prevail that the state can condemn a class or group to service as it can condemn individuals to jail. The right of the individual to quit is preserved even in the Cummins bill. It is the quitting in concert that is prohibited. The individual may, therefore, leave the group for his own personal advancement, but he may not, within the group, join with other individuals and labor with them for group advancement. Wherever this theory comes into practice we shall have individual freedom and group slavery. If this theory is accepted for the railroads, its extension to other industries would tend to lessen and finally to destroy the significance of individual freedom.

I recognize, of course, the importance of preventing, if possible, any stoppages of railroads or of other public utilities. On account of the supreme importance of these enterprises, the workers in them may be said to owe a greater obligation to society than do the workers in industries of less immediate and vital consequence. But I recognize an equal obligation on the part of the public toward these workers. It is a poor sort of obligation that does not flow both ways. If we are to have unusual loyalty that the situation makes desirable, the men who operate the trains have a right to expect such good will and loyalty from the public in return as will definitely guarantee them against the usual hazards of employment. If such reciprocal good will could be called into being there would be no need of anti-strike legislation.

The serious possibilities involved in the experiment in governmental suppression that has been put into effect in the case of the steel strike by local officials, in the case of the coal strike by the Department of Justice, and that is proposed for the railroads by the United States Senate, may well receive the careful thought of statesmen. If the power of government is to be invoked to check the rising aspirations of working men, if strikes for improved conditions are to be treated like revolutions, the result must be apparent to every thinking man. The hand of every syndicalist and of every anarchist will be strengthened by such a move. If political weapons are to be used against industrial, just so surely will industrial weapons be used against political. The general strike for industrial objectives has already made its appearance in this country, to the alarm of the public and to the dismay of union leaders everywhere. The general strike for political objectives would be revolution.

There is a challenge in this situation to all Americans who

know something of contemporary society and a little bit of history. It is a challenge to their understanding, first of men, and then of policies. We need to realize that the labor movement is a vast surging forward of men and women, with their eyes fixed on the goal of a better day. They are moving forward, through hardship and struggle, in an effort to establish a society where misery and want shall be no more. Instead of the menacing thing that timid souls fear it is a movement in which the finest instincts in man are seeking expression and room to grow.

If the answer to this movement is not to be repression and the paralyzing negative of Congress and courts, what shall it be? It is clear that there are interests to be conserved other than those of the participants in any single controversy. The overwhelming majority who are not on strike at any given time constitute what is called the public. The first duty of the public is probably to protect itself. It should look to it, however, that in protecting itself it does not turn itself over, bound hand and foot, to the capitalist interests, which come no nearer to identity with public interest than do the special, separate interests of workmen as workmen. It should note carefully that the public is not always the same public. Each controversy brings into being a new public, composed of those who are not vitally concerned in its causes or its outcome. In order to protect this great public, suppose we suppress this controversy if we can, break the strike, drive the discontented workmen back to their jobs.

A controversy arises in another industry. The public interests are paramount; let us stop that affair, too. This time the first group to be suppressed are a part of the "public," whom we are protecting. Suppose we go on, then, and make strikes illegal in all industries, so that the "public" may not suffer. When we are done we shall have tied the hands, and prevented from acting in their own behalf, the great majority of the American people, on the theory of protecting that public of which they are, themselves, the major factor.

By such "protection" injury is done to all of the people, and not alone to that majority which the wage-earners represent. If steel workers may not hold meetings, how long may Unitarians, or Catholics, or even Republicans?

The best way for the public to protect itself is by taking care that to none of the elements contained within itself is opportunity

denied. It should take account of the fact that a contest is going on between the owners of invested capital on the one hand and the workers on the other over the returns to industrial activity—a contest that is inescapable as long as the present economic order shall prevail. It should not make any attempt to forbid this contest by tying the hands either of the capitalists or of the workers, for any such attempt, entirely aside from the justice or ethics of it, is bound to fail.

What the public can do is to determine the level upon which this struggle is to take place. It can establish the point below which there shall be no bargaining and no contest or argument. This point must be where wages afford a living, where hours and working conditions are tolerable, where there is reasonable protection against the hazards of sickness, accident, unemployment and old age.

Above this point, unless we want a stagnant civilization there must be the freest of opportunity for bargaining and for struggle. Unless changes are made that will alter in some fundamental way the relations of employer and employee, each must be left free to exercise economic pressure in his dealings with the other. One thing that must be assured to both if this freedom is to be effective, is the right of organization and collective bargaining. No attempt should be made to enforce this right by law, I think, but the scorn of the community should make itself felt where either party to the controversy attempts to deny to the other this fundamental right.

After this, what we need in America to-day more than any other one thing is tolerance. **We must get back that respect for the views of men who disagree with us which our history shows to be a truly American principle and which we have unhappily laid aside for the time.** It was enlightened tolerance which protected men of all creeds in their right to worship God in accordance with their own belief. It was tolerance which justified the proud boast that there exists here an inviolate refuge for the political offender of all lands. It was tolerance and good will that granted amnesty to the leaders of the Confederacy, who drew the the sword against their own government.

The spirit of tolerance has never played anyone false, it has never jeopardized cherished ideals or institutions, it has never endangered the stability of our government. It will not do so now.

Annual Business Meeting

THE thirteenth annual business meeting of the American Association for Labor Legislation was held at Hotel La Salle, Chicago, on Tuesday, December 30, 1919, with President Samuel McCune Lindsay in the chair.

Minutes of the preceding meeting were approved, without reading, as published in the AMERICAN LABOR LEGISLATION REVIEW for March, 1919, pp. 157-160.

Report of Work for 1919 was read by the secretary, John B. Andrews, and adopted for printing (see page 72). Financial Statement was read by the assistant secretary, Irene Osgood Andrews, in the absence of the treasurer, Adolph Lewisohn, and referred to the chartered public accountants (see p. 80).

For the Committee on Nominations Dr. John A. Lapp reported a list of proposed officers and members of the General Administrative Council which, after additions had been made from the floor, were elected as follows:

General Officers

President, THOMAS L. CHADBOURNE, New York City.
Secretary, JOHN B. ANDREWS, 131 East 23d St., New York City.
Assistant Secretary, IRENE OSGOOD ANDREWS.
Treasurer, ADOLPH LEWISOHN, New York City.

Vice-Presidents

JANE ADDAMS, Chicago.
JOHN R. COMMONS, Madison, Wis.
ROBERT W. DEFOREST, New York City.
IRVING FISHER, New Haven.
ERNST FREUND, Chicago.
MORTON D. HULL, Chicago.
LILLIAN D. WALD, New York City.
FELIX M. WARBURG, New York City.
WOODROW WILSON, Washington.
STEPHEN S. WISE, New York City.

Executive Committee

HENRY W. FARNAM, New Haven, *Honorary President.*

MARY ANDERSON, Washington.
R. J. CALDWELL, New York City.
EDWIN F. GAY, New York City.
SAMUEL MCCUNE LINDSAY, New York City.
R. M. LITTLE, New York City.
SAM A. LEWISOHN, New York City.
JAMES M. LYNCH, Syracuse.
V. EVERIT MACY, New York City.
ROYAL MEEKER, Washington.
HENRY R. SEAGER, New York City.
The President and the Secretary.

General Administrative Council

(In addition to the officers)

F. A. Acland, Ottawa, Canada.
Felix Adler, New York City.
Frederic Almy, Buffalo.
Leo Arnstein, New York City.

George E. Barnett, Baltimore.
Mary Beard, Boston.
Linna E. Bresette, Topeka.

Ida M. Cannon, Boston.
Daniel L. Cease, Cleveland.
Joseph P. Chamberlain, New York City.
Morris L. Cooke, Philadelphia.
E. J. Cornish, New York City.
Mrs. Luella Cox, Indianapolis.
Fred C. Croxton, Columbus.

J. Lionberger Davis, St. Louis.
Miles M. Dawson, New York City.
Henry Dennison, Boston.
Edward T. Devine, New York City.
William B. Dickson, Montclair, N. J.
Paul H. Douglas, Seattle.
Mary E. Dreier, Brooklyn.
T. J. Duffy, Columbus.
James Duncan, Quincy, Mass.

Otto M. Eidlitz, New York City.
Morris L. Ernst, New York City.

Edward A. Filene, Boston.
John A. Fitch, New York City.
Felix Frankfurter, Cambridge.
John P. Frey, Cincinnati.

Austin B. Garretson, Cedar Rapids.
Josephine Goldmark, New York City.
William Green, Indianapolis.

E. G. Hall, Minneapolis.
Alice Hamilton, Cambridge.
M. B. Hammond, Columbus.
J. J. Handley, Milwaukee.
Henry J. Harris, Washington.
Leonard W. Hatch, Albany.
Mrs. Lucy Hewitt, Newburgh.
Mrs. Helen Hartley Jenkins, New York City.

Hiram W. Johnson, San Francisco.
W. A. Julian, Cincinnati.

Susan M. Kingsbury, Bryn Mawr.

Alexander Lambert, New York City.
Mrs. Thomas W. Lamont, Englewood, N. J.
F. L. Lamson, Norwalk, Conn.
John A. Lapp, Chicago.
Don D. Lescohier, Madison.
William Draper Lewis, Philadelphia.
Owen R. Lovejoy, New York City.

David A. McCabe, Princeton.
Charles H. Mayo, Rochester, Minn.

Agnes Nestor, Chicago.

Mrs. Daniel O'Day, Rye, N. Y.
W. F. Ogburn, New York City.
Edwin V. O'Hara, Portland, Ore.

Simon N. Patten, Philadelphia.
Alroy S. Phillips, St. Louis.
A. J. Pillsbury, San Francisco.
Mrs. John T. Pratt, New York City.
Orlo J. Price, Rochester.

G. D. Robertson, Ottawa, Canada.
Julius Rosenwald, Chicago.
John A. Ryan, Washington.

Ansley K. Salz, San Francisco.
Florence Simms, New York City.
N. I. Stone, Rochester.
Mrs. Willard Straight, New York City.

Ida M. Tarbell, New York City.
F. W. Taussig, Cambridge.
Francis Tyson, Pittsburgh.

Mary Van Kleeck, New York City.
Charles H. Verrill, Washington.

A. R. Warner, Cleveland.
William B. Wilson, Washington.
C. E. A. Winslow, New Haven.
Edwin E. Witte, Madison.
Robert B. Wolf, New York City.
Robert A. Woods, Boston.

Upon motion of David A. McCabe a resolution was authorized urging immediate adoption by the United States Senate of the labor provisions of the peace treaty.

Discussion led by Amelia Sears concerning sanitary conditions in public employment led to the adoption of a motion requesting the American Association for Labor Legislation to make working conditions in postoffices a matter of special concern and to urge the Post Office Department to make public the report of a recent investigation conducted by the United States Public Health Service.

Upon motion of John A. Fitch the Executive Committee was instructed to consider (1) the desirability of increasing salaries of the Association's employees and (2) the practicability of immediately raising the minimum membership fee to the level of the prevailing minimum fee for associate members.

After informal discussion of the immediate legislative program, the meeting adjourned.

JOHN B. ANDREWS, *Secretary.*

Report of Work 1919

By John B. Andrews
Secretary, American Association for Labor Legislation

PERHAPS the most striking feature of the Association's work in a year of readjustment, uncertainty and reaction, was the development of activities in co-operation with other organizations. Hours and sometimes weeks of the time of members of the staff were spent in preparing material on subjects within the Association's field for the use of other organizations and for official bodies. It is gratifying to have the Association turned to from so many quarters, but the labor necessary to fulfill these demands represents no small drain on the Association's resources.

Through the enactment of four new laws in 1919, only six southern states—Arkansas, Florida, Georgia, Mississippi, and North and South Carolina—now remain without **workmen's accident compensation.** Of the four new laws, that in Missouri was secured after a campaign lasting several years largely due to the efforts of the "Workmen's Compensation Conference" which had received much aid from this Association. The North Dakota law which was drafted by this Association upon request of the Federation of Labor has recently been upheld in the State Supreme Court. The Association also helped in the successful Alabama and Tennessee campaigns, and drafted standard bills for consideration in several other states. Gratifying progress is also being made under the older laws in increasing the scale of benefits, reducing the waiting period, and otherwise liberalizing them to bring them nearer the adequate standards supported by the Association. Amendments liberalizing or extending existing laws were obtained this year in Iowa, Maine, Michigan, and Wyoming. In New York the Association co-operated with the State Industrial Commission in preparing amendments, some of which were adopted. Our efforts, under the immediate direction of Irene Sylvester Chubb, met with success in securing amendments to workmen's compensation acts in several states to remove the financial temptation not to employ previously injured workers. Seven states, Massachusetts, Minne-

sota, New York, Ohio, Oregon, Utah, and Wisconsin, created special funds out of which they agreed to pay all or part of any excess compensation for such a second injury. Two states—Connecticut and Wisconsin—extended their compensation laws to cover occupational disease.

Conferences on the effective administration of laws were held during the year with members of several compensation commissions.

Victory is apparently in sight in the Association's campaign to extend the benefits of the **vocational retraining** provided for disabled soldiers and sailors, to industrial cripples. Bills granting federal aid to approved state enterprises of this kind have passed both houses of Congress, but because of slight differences between the bills the legislation has not yet become effective. Early adjustment of the differences is promised, but the Association must be watchful and apply the pressure of public opinion if necessary. Meanwhile, in harmony with suggestions from the Association, nine states (California, Illinois, Minnesota, Nevada, New Jersey, North Dakota, Oregon Pennsylvania and Rhode Island) made, in 1919, special provision for re-educating and re-employing industrial cripples. Generally special arrangements were made for taking advantage promptly of federal aid when it becomes available.

For the first time, our **health insurance** bill came to a vote in an American legislative body when on April 10 the New York Senate passed the Davenport-Donohue health insurance bill by a vote of 30 to 20. In the Assembly the bill was held in committee and "strangled" by the majority leaders without being allowed to come to a vote. The Association carried on its campaign in behalf of the bill in close co-operation with the State Federation of Labor, the various City Clubs, the Citizens' Union, and the Women's Joint Legislative Conference composed of six prominent women's organizations. The fight on the "welfare" program, including eight hours and minimum wage for women and the health insurance bill, became the principal issue of the session, got into the newspaper headlines, and did much to spread a knowledge of health insurance. But as the fight centers in New York state, the opposition, too, centers its efforts there. The latest camouflage of the commercial interests who are opposing the movement is the "New York League for Americanism," whose first objective is stated to be the securing of a million members to fight this Association! The secretary of this newest "League" is the same man who went

in 1918 from the so-called "Insurance Economics Society," with headquarters in Detroit, to lead the campaign of misrepresentation against health insurance in California, where he served as secretary of the temporary "California Research Society of Social Economics." The situation demands the help of all friends of scientific labor legislation to correct misapprehensions spread by a well-financed and interested opposition and to present the real facts on the need for and benefits of workmen's health insurance. In this much needed educational work the Association again has the aid of Olga S. Halsey, who has returned to the staff after completing a period of war time inspection in industrial establishments for the federal government.

In the health insurance campaign of this year an additional investigating commission was created in Indiana. Meanwhile six official state commission reports were made public. Those of California, Ohio, and Pennsylvania were favorable. In Connecticut, the land of steady habits, it was believed that "the time was not ripe" for legislation. The Illinois and Wisconsin commissions divided, a majority advocating various so-called "preventive" measures and a minority, while even more directly interested in effective preventive work, standing strongly for compulsory health insurance.

Labor has continued to show an increasing approval of compulsory health insurance. A total of twenty-nine national trade unions and twenty-one state federations have now put themselves on record in its favor. Seven national organizations, including the largest in America, and two state federations of labor passed favorable resolutions in 1919. As has been previously noted, the State Federation of Labor has been at the forefront in the New York campaign. The National Women's Trade Union League also passed a strong resolution for compulsory health insurance at its biennial convention in Philadelphia, and the American Federation of Labor at its annual convention in June instructed its Executive Council to continue its study of the subject.

On one special phase of health insurance, namely, **maternity protection**, the Association has been collecting data with reference to the desirability of drafting a separate standard bill. A measure advocated by the federal Children's Bureau, and now pending in Congress, would make federal appropriations for maternity welfare work, provided the states supplied similar sums. The desirability of drafting a bill which would permit the states to take

advantage promptly of some such plan is now being seriously considered. The movement for improved maternity protection is practically world wide, as is evidenced by the action of the recent international labor conference. This body adopted a draft convention which would obligate members to enact laws providing medical aid at confinement for women workers, together with cash benefits for six weeks before and six weeks after childbirth.

While the pressure of other work made it impossible during the year to lay the usual stress on general **safety and health** legislation, yet the Association's activities in this field may serve to show the range of the demands it is expected to meet. The Secretary, as a member, attended meetings of the Code Bureau of the New York Industrial Commission on regulations for the prevention of anthrax and other occupational diseases. The Secretary's bulletin on anthrax, published by the United States Bureau of Labor Statistics, was revised and brought down to date. Suggestions on establishing a factory medical service and obtaining factory physicians were, upon request, given to several employers. Occupational disease photographs were supplied to the Methodist Board of Missions, for use in a text book and in a lantern slide exhibit.

The scope to which the Association's information service has developed is illustrated by the fact that within a week, in this comparatively minor branch of the Association's activities, it was called on to supply information on creosote poisoning in connection with a workmen's compensation case, on nickel plate poisoning to a Health Department inspector, and on occupational diseases in soap factories to an inquiring employer.

In the field of **old-age pensions** some aid was given the official Pennsylvania commission in its investigations, and the commission has recommended the enactment of legislation. The Ohio commission has made similar recommendation.

The Association has continued work in behalf of a law creating an old-age retirement system for federal employees. There is little active opposition to the bill. But, as in the case of many other meritorious measures, much pressure must be exerted to overcome Congressional inertia. The Association should carry on active work to press this bill through in 1920. Its passage would not only be an act of justice, but, by providing for decrepit employees, would tend to improve the efficiency of the government departments.

The Association continued as usual to supply much informa-

tion on **protective laws for women.** The initiation of legislation in this field has, by tacit agreement, been left to various women's organizations, except upon special request. Under the latter head came the drafting of bills to limit hours and provide seats in Minnesota and Indiana, and suggestions to Maryland for the improvement of its hour law. The Association also co-operated with the Women's Joint Legislative Conference in New York, in securing the passage of the hour bills for street car and elevator employees, and in urging the eight-hour day and minimum wage bills, which will be introduced again in 1920.

The Assistant Secretary was one of a national Industrial Commission of six women sent abroad in the spring by the War Work Council of the Y. W. C. A., to report on the condition of women workers in England and France. On this mission Mrs. Andrews was out of the country from April 8 to May 31. A revision of her earlier monograph on effects of the war on English women and children, which will now embody first-hand observations made on her trip, is practically completed.

Representatives of the Association attended the biennial convention of the Women's Trade Union League, held at Philadelphia in June, and the first international conference of working women, held at Washington in October. An article on women in industry was prepared by Margaret A. Hobbs, of the Association staff, for the forthcoming "Labor Year Book."

A **one-day-of-rest-in-seven** law which practically embodied the provisions of the Association's standard bill was enacted in Wisconsin. This is the third state to adopt such legislation. Michigan also provided for a weekly rest day for interurban railway employees. An **eight-hour law** for miners was drafted for West Virginia, but failed of passage.

It is difficult to make progress in constructive legislation against **unemployment** because of the American habit of giving attention to the problem only when an unemployment crisis arises. Thus in the early months of the year, when large numbers of persons were out of work, there was considerable discussion. But before it was possible to utilize this interest to get action, conditions improved and all discussion died down, leaving the country as unprepared as before.

The federal Employment Service, widely developed during the war, was practically abandoned in October, 1919. Contrary to expert advice, the Service declined to seek legislation during the

war period which would have put it on a permanent basis, but depended on war-time appropriations and the President's war powers. When the war emergency was over, Congress first reduced and then declined to make appropriations. The Service then invited co-operation in drafting a bill to continue its work and to provide federal subsidy for state bureaus, but no action has resulted. Active opposition by certain manufacturers and fee-charging employment agencies, the administrative mistakes of the war-time Service, and the present temper of a Congress which is torn by economy and reaction, make it unlikely that any such legislation will be passed in the near future.

When the federal Service was abandoned, several states expanded their employment service to fill the gap, and the Secretary attended several conferences in support of this movement.

As a result of the labor clauses of the peace treaty, the possibility of **international labor legislation** became a subject of active discussion during the latter months of 1919. It will be recalled that this Association, which devoted a session of the 1918 annual meeting to the matter, was the American organization in a unique position because of its international connections to bring the importance of international labor protection to popular attention in this country. This work was continued through the winter by the publication of the Secretary's "Labor and the Peace Treaty," by his contribution of the chapter on this subject to a volume on the League of Nations edited by Professor Stephen Duggan, by newspaper articles and public addresses, and by devoting the September issue of our quarterly REVIEW wholly to the peace treaty and the labor legislation program.

In the judgment of your Secretary, the inclusion of a labor section in the treaty was one of its two great constructive advances, the other being, of course, the promise of a more permanent peace through the organization of a league of nations. It will be remembered that the labor section of the treaty lays down certain principles for the employment of labor, which are to be put into effect after annual international labor conferences. The latter is to formulate "draft conventions" and "recommendations" to be acted on by its member states. The Secretary, who had assisted as a member of the staff of the President's peace inquiry in the preparation of material for use in connection with peace treaty proposals for labor protection, was asked to become a technical adviser to the United States government representative in connection with

the work of the Organizing Committee of the first conference which was held at Washington opening October 29. In July he went to Paris and London for a stay of nearly two months and assisted in making arrangements for the conference. Through the autumn and until the closing of the conference on November 29 he spent a large part of each week in Washington. Although America could have no official part through delegates in the conference because of the failure of the Senate to ratify the Peace Treaty, the Secretary upon invitation served as secretary of the committee on unhealthful processes.

The Association shared in the educational work of the Y. M. C. A. for the soldiers in France after the armistice. The Secretary was made chief of the Bureau of Economics, Department of Citizenship, Army Overseas Educational Commission, and in this capacity arranged to have a lecturer sent abroad as well as illustrated lectures, an exhibit, and a syllabus and pamphlet, all covering the field of labor problems and labor legislation.

The Secretary continued to serve on the Committee for the Prevention of Blindness, and for a time was a member of the National Committee for Constructive Immigration Legislation. He also co-operated with the Bureau of Information, designed to improve and standardize organizations for social work. He participated in the oral examination of candidates to be employed by the New York Industrial Commission. He was re-elected a member of the Board of Trustees of the New York City Club, serving on its social insurance and industrial relations committees, and as chairman of its reconstruction committee.

Forty-six speeches were made during the year by the Secretary and five members of the staff before clubs, forums, learned societies, several university classes, official commissions, and congressional and legislative hearings. These covered a wide variety of topics in the labor legislation field.

Representatives of the Association attended the National Conference of Social Work and numerous conventions including those of the American Federation of Labor, the National Women's Trade Union League, the American Association of Industrial Physicians and Surgeons, the American Academy of Medicine, the American Medical Association, and the State and Provincial Health Authorities of North America.

In 1919 the Association's work required the printing of 125,000 copies of twenty-seven different publications, in addition to

the four issues of the AMERICAN LABOR LEGISLATION REVIEW, of which 14,910 copies were circulated. Of the 138-page illustrated pamphlet "Labor Problems and Labor Legislation," a lot of more than 9,000 copies, received from the Y. M. C. A., after demobilization of our troops in France, has been practically exhausted since September. This booklet has been received with special commendation by labor and technical trade papers as well as by popular journals, and has been used as introductory and supplementary reading by nearly fifty high schools, colleges and universities. With the signing of the Armistice, the title of our four-page special bulletin, *Labor Laws in War Time*—which proved so effective in the campaign to maintain protective labor standards as a vital war necessity—was changed to *Labor Laws in Reconstruction*. An issue of 20,000 copies, under the immediate direction of Frederick MacKenzie, was printed and circulated during the 1919 congressional and legislative sessions. The press department, in fact, had a particularly active year, sending out 154 press stories and articles to the general, labor, and medical press. Nineteen of these were exclusive special articles, prepared upon request for newspapers and magazines. Meanwhile, Mr. MacKenzie served for a time in an editorial capacity in the office of the Secretary of Labor at Washington in connection with the development of a national program of public works to aid in military and war-industry demobilization as well as to provide permanent opportunities for useful employment to all workers.

Undiminished loyalty and support of the members are shown by the membership record for 1919. The total paid-up membership was 3,081, in comparison with 3,104 at the end of 1918. In 1919 there were 2,451 renewals and 630 new members; in 1918, 2,518 renewals and 586 new members.

An increasing number of new members join without special solicitation, indicating a growing knowledge of and interest in the work of the Association.

The membership department sent out a total of 40,995 copies of thirty-seven different letters through the year. Of these, fifteen, to the number of 17,762 copies, went to members, and twenty-two, amounting to 23,333 copies, to non-members. In addition, the department handled the mailing of several thousand pieces of Association literature, which went out, without letters, to special lists, and sent between four and five hundred personal letters in reply to inquiries about the work of the Association.

FINANCIAL STATEMENT

Statement of Cash Receipts and Disbursements Applicable to the Year Ending December 31, 1919

Balance, January 1, 1919, per cash book		$7,711.80
Receipts:		
Membership contributions	$34,278.82	
Sale of literature	1,051.85	
Interest on bank balance	143.73	
Miscellaneous	3.77	
		35,478.17
		$43,189.97
Disbursements:		
Salaries—		
Administrative, editorial and research	$19,747.40	
Stenographic and clerical	4,979.29	
Printing and engraving:		
A. A. L. L. Review and reports and bulletin	5,293.68	
Circulars, enclosures, etc	1,938.49	
Pamphlets	317.85	
Postage	3,319.27	
Rent	1,751.36	
Traveling expenses	2,026.53	
Books, clippings, etc	252.33	
Stationery and office supplies	972.45	
Telephone and telegraph	406.99	
Office expense	430.12	
Dues of International Ass'n for Labor Legislation	280.00	
Freight and express	197.09	
Miscellaneous	297.13	
		$42,209.88
Balance at December 31, 1919, consisted of:		
Balance, per bank certificates	$2,609.05	
Less—Unpresented checks	4,428.35	
	$1,819.30	
Add—Amounts received and deposited in January, 1920, considered by officials as applicable to year 1919	2,799.39	
		$980.09

We have audited the cash receipts and disbursements of the American Association for Labor Legislation recorded in its books as applicable to the year ending December 31, 1919, and we certify that the above statement is a correct summary of the cash transactions as shown by the records. The receipts of cash relating to 1919, per the cash book, were deposited with banks to the credit of the Association, and all disbursements of cash, except certain petty cash expenditures, which were approved by a responsible official, were supported either by properly receipted vouchers or by cancelled checks bearing the endorsement of the payee. The balance of the bank account at December 31, 1919, was verified by us and the January, 1920, cash receipts considered by the officials as relating to 1919, were found to have been properly deposited in 1920.

Price, Waterhouse & Co.,
Chartered Accountants.

EDITOR'S NOTE: After this number of our REVIEW was in type, the following significant Report appeared, and is here reprinted as of immediate interest to friends of labor legislation throughout the country who are facing in their own states similar interested opposition to social welfare measures.

REPORT AND PROTEST

TO THE

Governor, the Legislature and the People

OF THE

State of New York

◆

Danger Confronting Popular Government

◆

The Daly Lobby and Propaganda

and the so-called

New York League for Americanism

◆

A Powerful and Perilous Influence

Backed by the Upstate Associated Manufacturers and Merchants ("The Associated Industries of New York State"), this Combination Is a Menace to Progress Through Orderly and Intelligent Legislative Methods.

◆

BY THE

NEW YORK STATE LEAGUE OF WOMEN VOTERS

MARCH, 1920

NEW YORK STATE LEAGUE OF WOMEN VOTERS

CHAIRMAN: MRS. FRANK A. VANDERLIP

VICE-CHAIRMEN:

MRS. GORDON NORRIE
MRS. GEORGE D. PRATT
MRS. DEXTER P. RUMSEY
MRS. SAMUEL BENS

TREASURER
MRS. CHARLES NOEL EDGE

RECORDING SECRETARY
MISS KATHRYN H. STARBUCK

CORRESPONDING SECRETARY
MRS. VANDERBILT WEBB

DIRECTORS

MRS. RAYMOND BROWN
MISS MARY E. DREIER
MISS LILLIAN HUFFCUT
MRS. JAMES LEES LAIDLAW

MAIN HEADQUARTERS
303 FIFTH AVENUE
NEW YORK

REPORT AND PROTEST

To the Governor, the Legislature, and the People of the State of New York, By the New York State League of Women Voters.

A Report to the Governor, Legislature and People of the State of New York Upon the Danger Confronting Popular Government in the Legislature and Particularly in the Assembly of the State, Arising Out of an Organized Lobby and Propaganda, Known as the Daly Lobby and Propaganda, Backed by the Associated Manufacturers and Merchants ("The Associated Industries of New York State") and Promoted by the So-called New York League for Americanism—the Combination Being One That Exerts an Influence Powerful and Perilous to Orderly and Intelligent Public Opinion at Large and to Legislative Opinion at Albany.

AN INVESTIGATION undertaken by the New York State League of Women Voters has disclosed a condition in the public affairs of New York State of which the State's responsible elected officers and the public generally should be informed. This condition has come to our attention through a report whose findings are of grave significance. After consideration of the evidence on which this report is based and after due deliberation, we have decided to make public our findings.

Our investigation was undertaken not with the object of supporting any particular measures but to inform ourselves why such measures as we supported during the last legislative session could not get, particularly in the Assembly, consideration impartially on their merits. To inform the public of the results of our investigation transcends in importance, we believe, any other service that the New York State League of Women Voters might render at this time.

We have found that there exists in New York State a dangerous subversion not only of legislative opinion, but of public opinion as well. We have found a condition by virtue of which it is evident that it has been made exceedingly difficult for any

constructive social or industrial measure to get adequate and unbiassed consideration before either the public or the legislative opinion of the State, and we have found that the influences at work so far from being invisible, are flagrantly and cynically open and are rapidly becoming notorious.

We call the attention of our legislators and of the public generally to the fact that propagandism as created and financed by certain powerful, vested interests is assuming a highly potent, though unregulated, political and governmental function. Propagandism would seem, in fact, to be taking the place of political "bossism" such as ruled the State ten or twenty years ago. Since the people now have more or less direct control of party political machinery it has become impossible for one or two or three "bosses" at the top to command legislative action at will without regard for the possible resentment of the people. For the support of various little bosses, in or out of the Legislature, certain special interests have inaugurated a regime of pseudo-patriotic propaganda which has been used to confuse the people as a whole with regard to the real nature of such legislation as these particular interests may choose to consider "undesirable." Phases of this propaganda have even been used in a manner calculated to confuse the people as to what is and what is not reasonable and constitutional progress.

I

Concerning the Associated Manufacturers and Merchants, Their Aims and Methods.

THE DOMINANT obstructionist influence is an up state organization of some 1,600 members, the so-called up state Associated Manufacturers and Merchants, which has headquarters at Buffalo and which is just now changing its name to "The Associated Industries of New York State."

We are reliably informed that as early as last August this Association had raised a fund of between $100,000 and $200,000 for propaganda purposes and that this fund has been used for the support of the so-called New York League for Americanism, an organization which, though extremely active in "accelerating" pub-

lic opinion, has, in fact, no patriotic nor constructive objects beyond the particular and selfish ends of its sponsors.

The propaganda of this so-called League for Americanism, conducted under the pretense of patriotism, has been calculated to arouse, by unscrupulously false and misleading statements, popular prejudice against and misunderstanding of such a measure as that providing for workmen's cooperative illness insurance as well as other measures of human welfare. In view of information obtained by us we believe that this has been done, not primarily because of impracticability in the measures themselves, but with the object of making the measure an "issue" and of furthering the primary object of certain up-State manufacturers to obstruct as long as possible any progressive industrial legislation in this State and to establish a precedent at this time against such legislation—in a word, to make "horrible example" of such measures and their advocates.

It can scarcely be forgotten that leading members of this Manufacturers' Association vigorously opposed the Workmen's Compensation Law only a few years ago, though its members now subscribe to the measure in principle and admit that in operation it has bestowed benefits upon employers as well as upon injured workmen. It can scarcely be forgotten that in April of last year certain up-State employers protested at a joint committee hearing at the Capitol that the eight-hour law for women workers meant hardship, if not bankruptcy, for textile mills in the Utica district. They made a similar protest to Speaker Thaddeus C. Sweet at a conference at which they "commended him for refusing to let the eight-hour bill leave the Committee on Rules of which he was chairman." It was understood even then that the ruling legislative organization was undertaking to "protect" the textile industry of the State at the risk of alienating organized labor and the women voters; and since then it has been demonstrated that the claims upon which this demand for "protection" was based were false and groundless, for within a short time after inducing the legislative leaders "to take their view of textile industrial conditions, the employers voluntarily assume the handicap, as they called it, of a shorter workday, not merely for women workers, as the eight-hour bill provided, but for both men and women."

With regard to the manner in which these same employers thus demonstrated the falseness of their intolerant and arbitrary opposition to this eight-hour industrial legislation for women, we quote from the New York *Evening Post,* July 7, 1919, which, referring to the majority legislative leaders, said: They "feel that they have made their sacrifice, only to be betrayed by the men they sought to serve."

II

Concerning Mark Daly, Lobbyist for the Associated Manufacturers and Merchants Whose Activities Are Increasingly Menacing to the Welfare of the State.

MARK A. DALY, lobbyist of the Associated Manufacturers and Merchants, backed by the funds and forces of obstruction and by his relations with certain influential members of the Legislature, aims to prevent the impartial consideration of such legislative measures as he sees fit to condemn. His methods are intended to defeat such measures before they even reach the floor of the Assembly.

Daly's influence and the influence of the Daly lobby are sustained by his misleading and inflammatory propaganda among manufacturers of the State and by the propaganda at large of his newly-created and pseudo-patriotic ally, the so-called League for Americanism.

We do not question the right of the Associated Manufacturers and Merchants to be heard at Albany. They have the same right as any other group to offer fair criticism, suggestions and intelligent information regarding proposed legislation. We do not doubt that originally the Association may have been established for mutual, perhaps even for public service, but we know that the members of this Association are busy men. We would not be surprised to learn that almost unconsciously they have allowed certain of their responsibilities as citizens to slip away from them into the hands of a lobbyist whose domineering tactics are more dangerous than the members of this Manufacturers' Association have had time to realize.

We ask the members of this Association seriously to consider whether the Daly lobby, by bungling obstruction to legislation that would create a basis of common interest and cooperation between employers and employees, is not jeopardizing their own best interests. Ultimately, we have no doubt, they will come to see that the methods of the Daly lobby are a kind of sabotage that is dangerous because likely to provoke some kind of retaliation on the part of the large public whose interests and welfare he jeopardizes.

It would seem futile to point out that Daly is a man of narrow vision, and in this matter we let his words speak for themselves.

Through his personal and official propagandist organ, *The Monitor,* in one of the editorials designated by Daly as "Monitorials," he recently informed the members of the Associated Manufacturers and Merchants that a woman candidate was opposing Speaker Sweet for election to the Assembly from Oswego, that another woman was running in Erie county and that several women were on the ticket in the metropolitan district. With reference to this situation, Daly asked the following questions:

> "Who says women are not going to take politics seriously? How seriously will politics take women?"

And thereupon he offered by analogy a proposal which at once reveals the calibre and character of the man:

> "IF WE WERE ASKED TO DRAW AN ANALOGY WE'D SAY THAT IF WE HAD A FRACTIOUS HORSE, AND AFTER WE'D FED HIM WELL, PAMPERED HIM, CODDLED HIM, TREATED HIM WITH EVERY KINDNESS AND ATTEMPTED TO TALK REASON AT HIM, HE STILL STOOD UP ON HIS HIND LEGS AND PAWED AT THE AIR, WE'D GET A RAWHIDE QUIRT AND HIRE THE BEST HORSEMAN WE KNEW AND THEN SCIENTIFICALLY AND FIRMLY LICK THE HELL RIGHT OUT OF HIM."

III

Concerning the Contact of the Daly Lobby and Propaganda with the Legislature.

WE FOUND from the very beginning of the legislative session last year that Speaker Sweet's attitude and activities were exactly in line with the demands of the Daly lobby. The methods of this lobby and its control over legislation may be most strikingly revealed by the manner in which the bill amending the Workmen's Compensation Law was defeated last year.

This bill, known as the Martin bill, "to amend the Workmen's Compensation Law, generally," was drawn by the State Industrial Commission after a conference with both the Associated Manufacturers and Merchants and with the State Federation of Labor. In this conference Daly participated as a representative of the Associated Manufacturers and Merchants and agreed to the amendments proposed.

The bill was introduced in the Assembly on February 10, 1919, by Assemblyman Martin, then as now chairman of the Judiciary committee. The understanding was that since the measure had been agreed upon in conference it was to be acted upon at once, but after considerable delay the measure had not been reported out of committee. When Chairman Martin was asked the reason for this, he explained to supporters of the measure in conference that Mr. Daly had said the bill was " not to be moved."

Chairman Martin was then told of the agreement reached in the conference in which Daly had participated. Daly himself was again brought into conference. He explained himself by alleging that the bill was not as agreed upon in conference. Representatives of the State Industrial Commission then went over the bill with Daly, item by item, together with the minutes of the conference in which the bill had been agreed upon, and the lobbyist was forced to admit that the measure was as agreed upon to the last detail, though certain changes proposed at the first conference by Daly were now conceded by representatives of the State Federation of Labor.

With Daly, representatives of the group that had conferred on the measure then went to Speaker Sweet. It was explained to the Speaker that the bill had been agreed upon by all parties, and the Speaker said that such being the case the bill would of course go through at once. All parties to the conference then withdrew from the Speaker's room, but Daly immediately returned. **After this conference the bill was still held in committee.**

Some days later when Chairman Martin of the Judiciary committee was told that unless the bill was reported out those interested in the measure would be advised of the apparent effort to kill the bill in committee, he said he would see what could be done. Within two hours after this observation was made to Mr. Martin, the bill was on the floor of the Assembly. Thus, the bill which had been introduced on February 10, passed the Assembly on April 17, so that it went to the Senate two days before the end of the session. In the Senate the bill was tabled and on the last day of the session was blocked by being referred to the Senate Judiciary committee.

Other legislation to which the Daly lobby was opposed was kept from reaching the floor of the Assembly last year by discredited parliamentary devices under the control of the Speaker of the Assembly. Speaker Sweet invoked the archaic form of caucus rule to this end, and the extent to which he uses the power of his office to exact conformity on the part of Assemblymen to his notions as to what legislation should be allowed to reach the floor of the Assembly should be clear from what follows.

When Assemblyman Brady, who was last year a member of the Labor and Industries committee and is this year chairman of the same committee, was asked why he had not bolted the majority caucus that voted to hold in committee certain legislation which the Daly lobby was fighting, we are informed that he made the following assertion:

"If I had bolted I would have ruined my political future and wouldn't be appointed to any good committee next year. Assemblyman Slacer who bolted the caucus will be 'demoted.' He won't get any important committee assignments next year."

Assemblyman Slacer is a fourth-year assemblyman from Erie county. Realizing the discipline to which Mr. Slacer would be subject this year at the hands of Speaker Sweet, certain influential party friends of Mr. Slacer caused an intercession to be made with the Speaker before the opening of the Legislature, in Mr. Slacer's behalf. Mr. Slacer desired to be assigned to the "Insurance" and "Cities" committees and to such other committees as the Speaker might see fit.

Mr. Slacer's desire was denied. Though he would normally be entitled to a chairmanship of one of the Assembly committees in view of his length of service and the strong support he has in his own district, he has been assigned by the Speaker to the "Cities" committee and to "Electricity, Water and Gas," and to membership on no third committee at all. His assignments this year are obviously not to be regarded as important as those of a first-year man from Erie county who has been assigned to three committees including the "Insurance" committee for which Mr. Slacer had a preference. The appointments of a number of other Assemblymen from western New York who have served no longer than Mr. Slacer are regarded as more important than Mr. Slacer's assignments.

Regarding the matter of his committee assignments, we are informed that Mr. Slacer recently said:

"I think my poor appointments are definitely traceable to my action last year in voting for discharge of committee on the Eight-hour day and Living Wage bills, after the caucus, into which I did not go, had voted against letting these measures out of committee."

If the people of this State would know how affairs are to-day conducted in the Assembly, the following instance is also pertinent. We are informed that in conversation with a representative of the Consumers' League of Buffalo, Assemblyman Zimmerman explained why he did not withdraw from the Sweet caucus on the Eight Hour and Living Wage bills. We are informed that Assemblyman Zim-

merman declared that if he had refused to join with the caucus any bills that he himself had introduced "wouldn't have stood any show." We are informed further that he cited in illustration a bill to provide a park or playground for Tonawanda which the people of that locality very much wanted. With regard to that bill we are informed that he said if he had refused to join with the caucus it would certainly be "sacrificed."

Throughout the session last year we were not unaware of certain moves made by influential members of the Assembly that were likely to result in the defeat of legislation opposed by the Daly lobby. In supporting certain legislation we desired that the measures should be considered for what they were: non-partisan proposals. It was therefore suggested to Majority Leader Adler that he should designate the Republican Assemblyman to introduce the Living Wage bill for women, which was being introduced in the Senate by a Democrat. Majority Leader Adler said that he and Speaker Sweet would decide upon the member who should introduce the bill. To introduce this measure Speaker Sweet designated Assemblyman Bewley, who was last year Chairman of the Assembly Labor and Industries committee.

Knowing Bewley's anti-labor record, we were exceedingly reluctant to agree to his handling this measure, but under the circumstances felt obliged to consent. It was Adler who endeavored to give reassurance that the measure would get a "square deal," but at no time did we expect a square deal for this measure from Bewley, who had obviously been designated by the Speaker and whose intimate relations with Daly and the Daly lobby were well known.

Regarding Bewley we were informed not only of his anti-labor record, but of other facts that were matters of common knowledge. **It was commonly known that, during his legislative career, Bewley was the intimate associate of Daly and it was commonly reported and believed, too, that this man, designated by Speaker Sweet to handle the measure to which the Daly lobby was opposed, was the room mate of Daly, sharing an apartment with him at the Hotel Ten Eyck.**

We do not object to the obvious intimacy that exists between Daly and influential members of the Legislature. We do not object to Daly's inviting the chairman of any legislative committee whatsoever to share his hotel quarters. We do not object to Daly's "state dinners." We object to none of these things, but we do object to a situation where members of the Legislature are put in a position of desiring to requite, by a hostile and partial attitude

regarding legislation that is the concern of and affects the welfare of the whole people, " courtesies " extended them by the Daly lobby.

" Playfellows," we note, is the term employed by Daly to describe certain members of the Legislature. In his editorial organ, *The Monitor,* Daly recently referred to the fact that " Buck " Bewley (sic) and another Assemblyman were no longer members of the Legislature, and in this connection he took occasion to observe:

" *These were desirable and gentle playfellows.*"

Daly should know whether he has found them such. Our conclusion is that " desirable and gentle playfellows " make undesirable and bad legislators.

The autocratic parliamentary methods used by Speaker Sweet against the chief welfare measures last year were adopted admittedly because it was generally believed that if the proposed measures reached the floor of the Assembly they would pass. In support of their position the Speaker and those most closely associated with him in the Assembly have asserted that their action was taken because of certain so-called petitions against the welfare bills. In view of this claim, it becomes necessary to give details of the circumstances under which signatures were obtained to the so-called petitions.

These so-called petitions were circulated among the employing establishments of central New York at the instigation of the Daly lobby in response to the exigency that was considered to exist in the Assembly. **Subtle methods of coercion were used in getting the signatures to these so-called petitions.**

It appears that the signatures were attached in the first place to a petition against the measure providing for workmen's cooperative illness insurance. At various times by various individuals, and particularly by Sweet himself in his campaign last fall, these so-called petitions have been referred to as evidence of an appeal by working men and women against welfare legislation generally. This collection of signatures has also been referred to as a " test vote," the results of which have been variously stated as 13,200 against and 112 for welfare legislation or 11,815 against and 112 for welfare legislation. In his campaign advertisements last fall Sweet declared that " 12,000 women " had petitioned against the " welfare bills."

There is little doubt that, in the first instance, arrangements were made to accelerate the so-called petitions as an attack on the measure for workmen's cooperative illness insurance particularly and perhaps solely. There is no question but that **at the time the so-called petitions were circulated representatives of**

certain insurance interests opposed to any cooperative form of sickness insurance were especially active. Among these representatives were insurance men who have been closely associated with the work of the Daly lobby, such as John L. Train of Utica and William Gale Curtis, who is president of the Insurance Economics Society of Detroit, an organization which was formed to fight non-commercial workmen's sickness insurance and similar measures. We are further informed that in a debate before the Ohio Medical Society on May 7, 1919, Curtis, in trying to convince his audience that labor is opposed to the sickness insurance measure as proposed in New York State, distinctly gave his hearers the impression that he had participated personally in the collection of signatures to the so-called petitions circulated in Central New York. We are informed that he argued to this effect:

> "We went to Utica and made a canvass of several plants and asked each man personally if he was for health insurance, and the result was 11,815 against the measure and 112 for it."

The signatures to the so-called petitions were obtained not only through the activity of men representing the insurance interests and the Daly lobby, but with the knowledge of majority members of the Assembly who needed support in view of the attitude they had arbitrarily taken against the chief welfare bills. Before the signatures to the so-called petitions were gathered, a member of the Assembly in referring to the fact that arrangements had been made to get the signatures for "a mighty big petition," declared that this would "cinch" the situation. **In view of the discreditable use that is still being made of this collection of signatures, we here give in some detail a part of our information regarding the manner in which the signatures were obtained.**

When it became apparent last year that Sweet and his associates would need "moral support" in getting the majority caucus to vote against letting the welfare bills out of committee, the machinery of the Associated Manufacturers and Merchants was set in motion at the instigation of the Daly lobby. Telegrams and letters were sent to manufacturers in and near Utica to prepare them for the work that was to be done. For the object desired, haste was necessary, and the work of gathering the signatures was accomplished in a few hours on a Monday morning and the result was sent to Speaker Sweet on the Empire State Express in time for his use in the caucus on Tuesday.

The so-called petitions came in every case from the officers of the various plants and in no case originated with the employees.

On Monday morning, after Daly had deluged the manufacturers with telegrams and letters informing them of what was to be done, foremen and superintendents received instructions to go through the mills and get signatures from employees, and in this manner, we are informed, subtle methods of coercion were used. Many employees have been questioned as to the manner in which the so-called petitions were presented to them and as a result of this questioning we cite the following information:

No effort was made on the part of the signature collectors to give fair and unbiassed information concerning the proposed measures. **Much false information was given workers who were asked to sign.** Many employees were told that the State under the proposed measure would compel them to hire certain doctors. In one plant a foreman took the poll, stating to employees that he opposed the measure and hoped they would also. This foreman elaborated on the expense and did not inform employees that their wives were protected or that dentists' bills were included as well as payment for time lost through illness. Similar methods were employed in other plants. **The canvass was everywhere taken by individuals who were prejudiced in advance against the proposed legislation.** In one instance in a certain factory in Utica where a number of Englishmen are employed, the so-called petition was put before employees with the remark:

"Here, you don't want any of this damned Lloyd George insurance over here, do you?"

The so-called petition was circulated widely among the unorganized women in the textile mills, and the manner in which it was done, is clear from the statement made by one of them:

"They told me it would come out of my pay, and I signed because I didn't want to support some dago's wife every time she had a baby."

We are informed that it was a common argument in presenting the so-called petition that if the measure was enacted the employees would "have to support some dago's wife every time she had a baby."

We are further informed that such pressure was brought to bear on the employees who were asked to sign that many of them feared they would lose their jobs if they did not sign. An employee of a certain plant has said that he was discharged for refusing to sign. He asserted his independence and was discharged, we are informed, either because his independence was offensive or because the manner in which he expressed his indignation at being asked to sign was offensive.

From the statement of a resident of Utica who was informed

by an Assemblyman on Sunday night that the petitions were to be circulated the following Monday morning in order to "cinch" the situation for the majority legislative leaders, we give the following:

"There is no doubt that the leaders like Speaker Sweet made a demand for this petition to bolster them up. That is tacitly admitted. There is no doubt that the workers knew little or nothing about the subject except what they had heard from propagandists like John L. Train (Secretary of the Utica Mutual Life Insurance Company) and others in the insurance business, who were very active at the time."

We are informed of the measures the Daly lobby has taken in concert with Babcock of the so-called "League" for Americanism to maintain control over the present legislative session. We have observed the expansion of their joint control both by legislative influence and by widespread and misleading propaganda. It is plain to us that Daly and Babcock, by such aids and alliances as they find opportune, are assuming to impose upon this State a minority dictatorship. **They are assuming to impose the political demands of their particular group regardless of the will of the majority either in the Legislature or in the State at large and by poisonous propaganda to destroy the very basis of intelligent and democratic government.**

IV

Concerning the So-called NEW YORK LEAGUE for AMERICANISM Which Was Created by and is Financed by an Inner Circle of Prominent Members of the Associated Manufacturers and Merchants. The Active Director and Promoter of this "League" is C. D. Babcock, a Professional Accelerator of Public Opinion, Whose Methods Are Fast Becoming Notorious.

THE PROPAGANDIST organization which was created by certain members of the Associated Manufacturers and Merchants and which has taken the deceptive name of the New York League for Americanism has headquarters at 471 South Salina street, Syracuse, and branch offices in Buffalo and New York City.

The Secretary and active director of this organization is one Carleton D. Babcock, **a man who has long been employed by certain insurance interests to wage propagandist warfare against any form of workmen's cooperative illness insurance and other measures of human welfare.** The treasurer of the so-called League for Americanism is C. A. Chase of Syracuse, formerly a president and now a vice-president of the Associated Manufacturers and Merchants.

The so-called League for Americanism was founded by members of the upstate Manufacturers' Association with the object of "accelerating" public opinion against certain humanitarian legislative proposals. The reason for the adoption of its name is apparent. We are definitely informed that a certain upstate manufacturer who claims to have participated in the organization of the "League" has described the Americanism feature of it as a "catspaw."

There is no question but that Babcock, the "League's" promoter, has had long experience and is particularly skilled in the kind of propaganda sponsored by the so-called League for Americanism. **He was brought to this State and hired to act as Secretary of the League after his fight in California on behalf of certain insurance interests against legislation similar to that proposed in New York State.** He was brought to this State for propagandist warfare in spite of the fact that the methods he used in California resulted in protests and denunciation on the part of such citizens as had become innocently associated with him there. We are informed by affidavits on this subject that Babcock's methods in California resulted in a "wholesale repudiation" of Babcock and his so-called California Research Society, with much criticism of Babcock on the part of those whose names had been used to support his work.

By the same affidavits we are informed as follows:

The organization Babcock created in California was known as the California Research Society of Social Economics, which had no other object than to make warfare against sickness insurance. In that campaign he was in the hire of the Insurance Economics Society of Detroit of which William Gale Curtis (who is also president of the National Casualty Company of Detroit) is the president. Dr. Frederick L. Hoffman, as "an unattached expert in economics," was one of Babcock's advisers in the California campaign, and before the campaign was over it was discovered that Hoffman is the statistician of the Prudential Insurance Company of America, Newark, N. J. Babcock himself repeatedly cautioned his

associates against mentioning his California organization in connection with the parent organization of Detroit.

The Insurance Economics Society of Detroit is an organization of certain insurance interests to fight any legislative measure providing for non-commercial illness insurance and similar humanitarian proposals. It works secretly, "donating" organizers, who go into various States "to align local interests, secure funds, form a list of vice-presidents, and wage the campaign by methods of press publicity, printed pamphlets, and a bureau of paid orators."

Babcock imparted information to his California associates that the Insurance Economics Society planned to wage similar campaigns in various states. "He told specifically of one meeting in Detroit, attended by seven of the leading insurance financiers of the country, at which one million dollars ($1,000,000) was pledged for campaign and propaganda purposes."

Such is the man brought to this State to wage propagandist warfare in the name of "Americanism"!

While the so-called League for Americanism was established last summer with a fund of between $100,000 and $200,000 at the outset, there is reason to believe that it has since received many other contributions of considerable size together with funds from certain contributors who believed they were giving money toward some patriotic object. Babcock has sedulously sought to conceal the fact that mainly the contributors to the League are certain upstate manufacturers. He has refused on application to give the names of the officers of this so-called League for Americanism. He has even declined to name C. A. Chase as the organization's treasurer, though it has been revealed elsewhere that C. A. Chase, of Syracuse, is the treasurer.

To cover the real objects and activities of the Babcock organization, a well-known lecturer was recently started across the State to talk before trade groups and clubs on radicalism and its attendant evils. Certain individuals, stirred by the lectures, raised money for the purpose of continuing the lectures in various parts of the country. A check representing a sum of money contributed for this specific object was sent to the responsible financial officer of the so-called League for Americanism. This check was returned to the doner that it might be made payable to Babcock personally. When the lecturer, whose activities had been responsible for this particular contribution, learned what disposition was being made of the money he protested. To responsible officers of the so-called League for Americanism, he wrote letters and sent telegrams citing the fact that the money in question had been raised for a specific object and

asking if the League's sponsors were going to consent to misappropriation of funds.

Subsequently the money in question was returned, and it was necessary for a financial officer of the so-called League for Americanism to make the following formal admission:

"In answer to your letter, the Amsterdam funds have been returned to Mr.———. This as I understand it closes the matter as far as the New York League for Americanism is concerned."

That the facts regarding the term "Americanism," as used by the Babcock organization may be fully understood, we cite the following statement made by the lecturer who was formerly employed by the so-called "League" for Americanism:

"In the city of Amsterdam I was talking with a certain manufacturer and commented upon the work of the League for Americanism. At this he laughed, and said, **'You know the Americanism part of it is a joke.'** I asked him what he meant. **'The League for Americanism,'** he said, **'was organized primarily to kill off health insurance and other such fool legislation. The Americanism part of it is a catspaw.'** I was amazed and asked him how he knew that. **'I ought to know,'** he said, **'I helped organize the thing. Didn't you know?'** I told him I didn't know anything about what he had just told me and that I wasn't working to kill off any legislation but for what I considered Americanism. **'Well, that's the big idea,'** he said. **'You've saved the situation for us. You can go ahead and stir up sentiment on Americanism and other men will follow along after you to attend to the fool legislation.'** Then and there, as a result of this conversation, I said I was through with the so-called League for Americanism."

With regard to the methods of this Daly-Babcock "League" we cite another instance and in this matter, as in all others, have the evidence in our possession:

In 1919, Babcock sought to employ an investigator who should commit himself in advance to the false and tricky views of the "League" regarding illness insurance, to accept a commission to go to England and from there write for American newspapers, articles to influence the "rank and file" of the working-class against the measure proposed in this State. It was specifically stipulated by Babcock in writing that the investigator should be "in harmony with our views," and in view of the manner in which this mission was to have been performed, it appears that the newspapers of this State would have innocently given space to the deliberately prejudiced findings of the "League's" investigator without knowledge of the fact that he was a paid and biased emissary of this so-called League

for Americanism. Babcock's attempt to get an investigator, qualified and disinterested, to prostitute himself to report adversely on the health insurance experience of England, was a failure.

It should be noted in passing that the same Frederick L. Hoffman of insurance connections, who assisted Babcock in California, later went to England and through the National Civic Federation and elsewhere is making adverse reports.

While it has been the custom of certain insurance interests to move Babcock from state to state to conduct his peculiarly insidious propaganda against any form of co-operative workmen's illness insurance and similar measures, we are informed that in this case, however, Babcock "has come to stay," and that he and the so-called "League" for Americanism are to be inflicted upon New York State permanently. We understand that certain of Babcock's sponsors are so well satisfied with the extent to which he has "accelerated" public opinion in this State that they plan to maintain the League permanently to wage its characteristic warfare against such legislative proposals as the League and its supporters may choose to consider "un-American."

What citizens of this State whose Americanism is not a cloak to cover some private purposes of their own may think of this proposal, is well indicated in an editorial that appeared on November 30 in the New York *World* under the title "UN-AMERICAN AMERICANISM:"

> **"With headquarters in Syracuse, the New York League for Americanism calls for a 'million volunteers to fight un-Americanism wherever it appears.' In such a cause a million men may easily be enrolled if the people are satisfied of the League's specific purposes. But its first task, we are told, is to fight—what? Bolshevism? Bomb-throwing? Mob rule? No! To fight compulsory health insurance! Thus this self-styled defender of American institutions begins by tooting its trumpet for the assault upon a measure praised by many Americans of the purest type, which can in no sense be called subversive or dangerous.**
>
> **"A good American can advocate health insurance. Another good American can oppose it. A third may conclude that it might be advantageous if well administered, yet doubt if the state is up to the task. But any one of the three becomes un-American when he attempts to make this debatable issue a test of patriotism."**

What may be expected of a "League" thus branded as un-American if it is made permanent? Using its tricky methods to

the utmost, the " League " has already gone into one political campaign, and we are informed that in a recent interview Babcock boasted of the "League's " success in this sphere. The spite that animates this so-called League for Americanism is clear from the following statement which, we are informed, Babcock made to the lecturer formerly in the employ of the " League ":

> " You know we're killing off members of the Legislature who've been advocating the kind of legislation we're against."

We deplore the extent to which certain interests have come to rely on irrelevant and provocative propaganda for their specifically private and even selfish purposes. We particularly deplore the present tendency of such propagandist organizations to cloak themselves under the name of " Americanism." We know of no organization that uses more un-American methods than this Daly-Babcock " League," and we regard it as one of the chief obstacles in this State to any genuine Americanism.

It has misstated the effect and methods of operation of proposed industrial legislation. It has grossly exaggerated the cost. It has sought to lead industrial workers into believing that such measures would do them harm and deprive them of their individual rights, while, at the same time, it has devoted itself to rousing class antagonism by inciting among the farmers a belief that they would be heavily taxed for a measure that would benefit only industrial workers.

It has misled physicians and prevailed upon them to organize under the auspices of the " League " into so-called " Professional Guilds " by creating the impression that professional fees under the proposed workmen's co-operative illness insurance measure would be reduced as low as 50, 25, and even 6 cents, whereas it should be well known that the bill provides that professional fees shall be on a basis initiated by the various county medical societies.

The " League " has associated itself with and brought into its scheme of operation individuals who have been given to the most inflammatory and unfounded statements and innuendoes. In the form of so-called " boiler plate " it has repeatedly distributed to the numerous daily and weekly up-State newspapers propagandist material as false and misleading as any that could be devised.

The " League " has gained circulation for such statements not only through the press but through paid orators and has shown singular energy in hiring speakers to attack proposed industrial legislation on the basis of the League's own tricky assertions. It has particularly sought to create the impression that such legislation

is of pro-German and Bolshevik origin, and this allegation, whether made by Babcock or by paid representatives of his "League," by members of the so-called professional guilds that operate under the auspices of his "League," or by certain Senators and Assemblymen who derive political support from his "League," we denounce as unjustifiable and un-American, both untruthful and cowardly.

V

"Why Are These Women Backing the Welfare Measures? Not to Benefit Any Class of People. They Lie if They Say So. It is All Part of the German Propaganda to Break Down the United States Government."

—From the Speech of Senator CLAYTON R. LUSK at Fulton, November 1.

THERE has been a singular conformity of method in the manner in which Senator Lusk of the Lusk Committee, Speaker Sweet and the so-called League for Americanism have sought to prejudice the public, in an inflammatory manner, against the proposed welfare bills.

In some respects it must be said that Senator Lusk and Speaker Sweet have gone even further than the so-called League for Americanism in seeking to arouse insidious conceptions of the proposed welfare measures and of the individuals who have supported them.

We quote from notes made at the time of Senator Lusk's speech at Fulton (November 1) in advocating Sweet's reelection to the Assembly:

> **"It was German Kultur that started the peace societies during the war. Now the same men and women have organized societies for promoting radicalism. It is a German Martens who is representing Bolshevist Government in the United States.**
>
> **"MR. SWEET'S OPPONENT, MISS DICKERMAN, IS BEING FINANCED BY THE SAME DISLOYAL OUTFIT. They are the ones who advocate the overthrow of the Government of the United States by the confiscation of property belonging to the poor as well as the rich. You farmers here before me—you will have your very tools stolen from you. These are the**

people who would overthrow marriages. They believe that every man and woman should consult their own immediate passions. They believe in no future life, no punishment for sin.

"WHY ARE THESE WOMEN BACKING THE WELFARE MEASURES? NOT TO BENEFIT ANY CLASS OF PEOPLE. THEY LIE IF THEY SAY SO. IT IS ALL PART OF THE GERMAN PROPAGANDA TO BREAK DOWN THE UNITED STATES GOVERNMENT. . . .

"This Sweet campaign is not a local issue. Tad Sweet, Speaker—there's only one State office ahead of it in power—the Governorship.

"If Tad Sweet is beaten it will not be regarded so much as the Republican party being beaten but Oswego County beaten,—you'll lose your powerful officer.

"My God! What a calamity if he were beaten!"

VI

Concerning the Use Made of the Lusk Committee's Prestige to Prejudice Public Opinion, in an Inflammatory Manner, Against Proposed Welfare Legislation and the Advocates of Such Legislation.

A DELIBERATE, undisguised and widespread effort has been made to create the impression that well-considered and temperate legislative proposals for human welfare are "symbolic" of and in some way connected with Bolshevism. Speaker Sweet has made unqualified statements to that effect. We have already shown that the speakers, the pamphlets and the press propaganda of the so-called League for Americanism, backed by the Daly lobby and an inner group of the Associated Manufacturers and Merchants, has widely and generally availed itself of this method of misrepresentation.

We are surprised and indignant now to find that, in the same way, **the prestige of the Joint Legislative Committee to Investigate Seditious Activities has been used to inculcate similar insidious conceptions with regard to these measures for human welfare and with regard to the advocates of these measures.**

From evidence in our possession it appears that the prestige of the Lusk Committee, backed either by public or private funds, has

been used in such a way as to stimulate the belief that the welfare bills are in some way connected with Bolshevism. From similar evidence it appears that some one presuming to speak for the Lusk Committee has even sought the financial aid of the unscrupulous, so-called League for Americanism, to further this kind of unauthorized and extraordinarily partisan propaganda.

As early as August 21, 1919, the Western Newspaper Union, whose distributing list comprises 571 daily and weekly up-State newspapers, circulated in the form of "boiler plate" an article advertising the work of the Committee and a particular member of the Committee. Special attention is directed to this article because the method of its distribution was exactly similar to that of an article which was likewise formally attributed to the Lusk Committee and which used the prestige of the Committee to give added weight to an indiscriminate and prejudiced condemnation of the welfare bills.

The printed copy of this "boiler plate" matter carried, as required, a statement at the top as to the source and authorization of the article. This statement read:

"PLATE OF THIS MATTER IS SENT YOU WITHOUT CHARGE UPON ORDER OF THE NEW YORK STATE JOINT LEGISLATIVE COMMITTEE TO INVESTIGATE SEDITIOUS ACTIVITIES. METAL REMAINS OUR PROPERTY TO BE RETURNED IN THE USUAL MANNER.

"WESTERN NEWSPAPER UNION.

"RELEASED FOR USE ON AND AFTER THURSDAY, AUGUST 21."

Similarly, without charge to recipients, the Western Newspaper Union distributed throughout the up state districts an article which purported to relate to alleged preliminary investigations of the Lusk Committee regarding Bolshevism. This article contained a preponderating amount of matter in condemnation of the proposed welfare bills. The real object of the article was plainly something other than it purported to be, and the source of this article, as in the case of the article described above, was unqualifiedly attributed to the Lusk Committee.

In the face of this stated responsibility of the Lusk Committee, we are surprised to find that in the headline of the article appeared the statement: "HEALTH INSURANCE BAD." In the first column of the article appeared matter, mingled with what purported to be the result of preliminary investigations of the Lusk Committee, telling why the proposed measure for workmen's cooperative illness insurance was "bad." In the second and third columns appeared statements regarding the Eight-hour and Living Wage bills to show that they were "bad."

We have naturally been reluctant to believe that the Lusk Com-

mittee or any member of the Lusk Committee could be responsible for using the Committee's prestige or the Committee's funds for such flagrant and unauthorized objects. We find that as recently as November 1, an article employing the same tricky methods of deception and prejudice as those devised by the so-called League for Americanism was distributed widely to the upstate newspapers. The extraordinary character of this article would seem to merit consideration in detail.

The headline of this article, as it appeared in the Rochester *Times* of November 1, read:

" HEALTH BILL IS BOLSHEVISM, DECLARES LUSK— Chairman of Legislative Committee Says It Would Place Burden of Caring for the Improvident Upon Shoulders of Workers."

The " lead " of this article reads:

> " New York, Nov. 1.—Senator Clayton R. Lusk, chairman of the New Legislative Committee investigating Bolshevism and kindred subjects, intimates that so-called social welfare legislation, when ill-considered, was merely additional ammunition for the enemies of the nation who are also the enemies of society. Senator Lusk emphatically declares that there are traitors at work in this State, heavily financed and cunningly advised, whose avowed object is the overthrow of the present form of government. It was in this connection that Senator Lusk called attention to certain social welfare legislation as it has been proposed."

The balance of this long interview or statement was composed chiefly of a discussion of arguments against the measures providing for workmen's cooperative illness insurance, for an eight-hour day for women and for a living wage for women. **These arguments in that they were designed to prejudice working men and women against such measures were of a kind exactly to satisfy the aim of the so-called League for Americanism in influencing the " rank and file of the people."** The interview or statement by Senator Lusk closed with a laudation of Speaker Sweet which included the assertion that " to lose the benefit of his experience in these critical times would be regarded as a calamity."

In an effort to ascertain the exact origin of and the responsibility for the distribution of the matter that mixed the alleged preliminary investigations of the Lusk Committee with an attack on the welfare bills, we obtained information indicating that the so-called League for Americanism might have been responsible. Accordingly, we have inquired of Babcock, the secretary of this

"League," and find that even he resents the imputation of responsibility for the distribution of such extraordinary press matter.

We give the substance of Babcock's assertions in this connection:

"THE LEAGUE FOR AMERICANISM DIDN'T PAY FOR IT, BUT I THINK I KNOW WHO DID. IT WAS PUT UP TO THE LEAGUE FOR AMERICANISM. WE HAD A CHANCE TO PAY FOR IT, BUT WE DIDN'T. IT COULD HAVE BEEN MADE SO WE WOULD HAVE BEEN GLAD TO PAY FOR IT. THE WAY IT WAS PUT UP IT WAS PARTISAN POLITICAL STUFF.

"THIS IS THE FIRST TIME I EVER HEARD ANYTHING WAS WRONG WITH THE LUSK REPORT. NO, I'M NOT GOING TO TELL WHO DID PAY FOR IT UNTIL I KNOW MORE ABOUT WHO IT IS THAT'S CRITICISING IT. IT WAS PARTISAN POLITICAL STUFF. WE DIDN'T HAVE ANYTHING TO DO WITH IT."

The gravity of the assertions made by Babcock with regard to the distribution of matter which was unqualifiedly attributed to the Lusk Committee and which was obviously designed to achieve some object entirely unrelated to the authorized objects of the Lusk Committee, is such that we would be reluctant to give full credence to the assertions made by him and quoted above. In view of his assertions, however, we feel obliged to ask:

What responsibility had the Lusk Committee or any member of the Lusk Committee or any person associated with the Lusk Committee for the distribution of matter referring to so-called Lusk investigations and designed to inflame public opinion against the chief welfare measures and their advocates? What funds, public or private, were used to pay for such misleading publicity of a kind utterly remote from the authorized objects of the Joint Legislative Committee to Investigate Seditious Activities?

Conclusion

We declare our indignation at the trickeries and deceptions we have found through our contact with political life. Our protest is the more unqualified in that we find such subterfuge used to hamper human progress and to make impossible a reasoned adjustment of problems confronting the State.

We are fully aware of the grave implications of the conditions outlined above, and, at any proper time or place, we are prepared to make public the many additional facts and data now in our possession. Meanwhile, we trust and believe that the sense of responsibility of the Legislature and of the people must be too great for them to permit such unwarranted conditions to continue.

Book Reviews and Notes

A Living Wage. By JOHN A. RYAN. New York, Macmillan, 1920. 182 p.

Father Ryan's pioneer volume on the "living wage" appeared in 1906. Since then great strides have been made toward recognition of the right to a decent livelihood. As an aid toward full realization of that right this newly revised and judiciously abridged edition is offered by the writer in the hope that "it will be found to contain nothing superfluous, and yet to embrace everything that the average reader cares to know concerning the ethical, economic and legal aspects of the living wage question." The book is both interesting and informative; the first comprehensive study of the subject in English. It is especially successful in relating economic, ethical and legal aspects of a living wage to practical Christianity.

I. S. C.

Richey's Federal Employers' Liability, Safety Appliance, and Hours of Service Acts. By DAUNIS MCBRIDE, LL.B. Charlottesville, Michie Co., 1916. lii, 795 p.

The second edition of this volume is enlarged to contain the safety appliance and hours of service acts, together with a number of decisions of the United States supreme court handed down since publication of the first edition.

Report on Pension Laws. By THE ILLINOIS PENSION LAWS COMMISSION, 1918-1919. Springfield, 1919. x, 379 p.

A constructive and statesmanlike program for placing upon a sound financial basis existing and future pension plans for public employees in Illinois has been brought forward by the Illinois Pension Laws Commission. The commission proposes a Standard Plan, which would consolidate existing pension funds and would standardize the financial basis upon which additional funds might be organized for other groups of employees. The plan contemplates compulsory contributions from employees and the employing authority calculated upon an actuarial basis so as to provide annuities, survivors' annuities, disability and sickness benefits. The commission appears to have handled with exceptional justice and fairness the difficult problem of making provision for those employees who have contracted liabilities and for those who are now pensioners under the existing fifteen laws which it hopes to supplant with its Standard Plan. The details of the plan the commission presents in a bill embodied in its report, and while looking forward to a universal system of pensions for both public and private employees, it urges the immediate reconstruction of existing funds for public employees along the lines it has so carefully worked out.

O. S. H.

PUBLICATIONS

American Association for Labor Legislation

No. 1: Proceedings of the First Annual Meeting, 1907.

No. 2: Proceedings of the Second Annual Meeting, 1908.*

No. 3: Report of the General Administrative Council, 1909.*

No. 4: (Legislative Review No. 1) Review of Labor Legislation of 1909.

No. 5: (Legislative Review No. 2) Industrial Education, 1909.

No. 6: (Legislative Review No. 3) Administration of Labor Laws, 1909.*

No. 7: (Legislative Review No. 4) Woman's Work, 1909.*

No. 8: (Legislative Review No. 5) Child Labor, 1910.

No. 9: Proceedings of the Third Annual Meeting, 1909.*

No. 10: Proceedings of the First National Conference on Industrial Diseases, 1910.*

No. 11: (Legislative Review No. 6) Review of Labor Legislation of 1910.

No. 12: (American Labor Legislation Review, Vol. I, No. 1.) Proceedings of the Fourth Annual Meeting, 1910.

No. 13: (American Labor Legislation Review, Vol. I, No. 2.) Comfort Health and Safety in Factories.

No. 14: (American Labor Legislation Review, Vol. I, No. 3.) Review o Labor Legislation of 1911.

No. 15: (American Labor Legislation Review, Vol. I, No. 4.) Prevention and Reporting of Industrial Injuries.

No. 16: (American Labor Legislation Review, Vol. II, No. 1.) Proceedings of the Fifth Annual Meeting, 1911.*

No. 17: (American Labor Legislation Review, Vol. II, No. 2.) Proceedings of the Second National Conference on Industrial Diseases, 1912.

Symposium on Industrial Diseases:
- Classification of Occupational Diseases, W. Gilman Thompson
- Compressed-Air Illness, Frederick L. Keays.
- Occupational Skin Diseases, John A. Fordyce.
- Occupational Nervous and Mental Diseases, Charles L. Dana.
- Occupational Eye Diseases, Ellice Alger.
- Industrial Poisoning, David L. Edsall.
- The Need of Cooperation in Promoting Industrial Hygiene, Henry R. Seager.

Investigation of Industrial Diseases:
- Intensive Investigations in Industrial Hygiene, Frederick L. Hoffman.
- Compulsory Reporting by Physicians, Leonard W. Hatch.
- Lead Poisoning in New York City, Edward E. Pratt.

Health Problems in Modern Industry:
- The Function of Hospitals and Clinics in the Prevention of Industrial Diseases, Richard Cabot.
- Temperature and Humidity in Factories, C.-E. A. Winslow.
- Air Impurities—Dusts, Fumes, and Gases. Charles Baskerville.
- Effects of Confined Air upon the Health of Workers, George M. Price.

State Promotion of Industrial Hygiene:
- Education for the Prevention of Industrial Diseases, M. G. Overlock.
- Notification of Occupational Diseases, Cressy L. Wilbur.
- Medical Inspection of Factories in Illinois, Harold K. Gibson.
- Compressed-Air Illness in Caisson Work, L. M. Ryan.
- Legal Protection for Workers in Unhealthful Trades, John B. Andrews.

Bibliography on Industrial Hygiene:
- American Titles.
- Titles Other Than American.

No. 18: (American Labor Legislation Review, Vol. II, No. 3.) Review of Labor Legislation of 1912.

No. 19: (American Labor Legislation Review, Vol. II, No. 4.) Immediate Legislative Program.

One Day of Rest in Seven, Prevention of Lead Poisoning, Reporting of Accidents and Diseases, Workmen's Compensation, Investigation of Industrial Hygiene, Protection for Working Women, Enforcement of Labor Laws.

* Publication out of print.

INTRODUCTORY NOTE

THERE are indications that the period of reaction which came like a chilling wave following the first peace jubilations has passed its climax. The trend may soon again be toward reasonable consideration in legislative bodies of important measures for upbuilding the nation's industrial strength and insuring the health and safety of the workers.

The tide of extreme reaction that set in with the armistice—constituting quite as grave a menace to American institutions and to orderly progress as any apparent radicalism—reached high water mark in the proceedings of the New York legislature at the recent session in its action against progressive labor measures and even against representative government itself. At this point the press and public of the entire country took alarm. And in the ensuing wave of popular reaction against "ultra" reaction is seen the most notable and most promising development of the stressful days through which we are now passing.

True to its practice of enacting some creditable labor legislation on the eve of a presidential election, Congress in the closing days of the session passed two measures of far-reaching import that have been actively supported by the Association for Labor Legislation. They are the Sterling-Lehlbach bill, establishing a system of compulsory, contributory old age and disability insurance for the government's 300,000 employees in the classified civil service, and the Fess-Kenyon bill, providing for federal-state co-operation in the vocational rehabilitation of industrial cripples. Twelve states, anticipating the last named congressional enactment, have already made provision by law for such vocational retraining. Preparations are now well under way for similar action by the other states.

Meanwhile the United States Supreme Court has handed down three most important labor law decisions, discussed elsewhere in this number of the REVIEW.

The favorable decision, March 29, unanimously upholding the constitutionality of the vital section of the seamen's act, marks a great gain, not only in the legal protection of American workers and the development of American ocean commerce, but, as Andrew Furuseth writes on another page of this REVIEW, it is "peculiarly potent to place on a higher level the standards of labor for seamen throughout the world." This, together with the fact that the American shipping interests are now publicly giving hearty approval to the seamen's act as an aid in upbuilding our merchant marine, will doubtless prove a constructive influence at the meeting of the Inter-

national Labor Conference, devoted exclusively to protective standards for seamen, called this month at Genoa by the League of Nations.

The five-to-four decision of the Supreme Court declaring that such "maritime" workers as longshoremen cannot longer be compensated for industrial accidents under state laws, again deprives these workers when injured of all compensation protection. The importance of certain and prompt relief for these cases without expensive litigation was recognized by the first state compensation laws in 1911. Then six years later, by a five-to-four decision, the court decided that longshoremen could seek relief only through suits under maritime jurisdiction. The efforts of Congress in 1917 to extend also the protecting arm of state compensation laws around this large army of workers engaged in an especially hazardous occupation has finally been nullified in 1920. But in holding that all maritime workers must be treated with absolute uniformity the Supreme Court points the way out. The remedy, it appears, lies in the adoption by Congress of a law extending federal compensation to injured maritime workers, including longshoremen. These workers, when injured, now have no recourse except the tragically futile method of suits for damages in the federal courts having admiralty jurisdiction. At the request of public officials and representatives of labor, the Association for Labor Legislation is preparing a workmen's compensation bill for introduction in Congress.

Other important issues, long developing, have reached a stage where concerted, sustained efforts are needed. Outstanding among these are measures to establish a federal-state employment service and to secure early passage of the maternity protection bill by Congress as well as the enactment of laws in the states to insure cooperation with the national government.

Several labor law problems are presented in this number of the REVIEW in a series of brief, timely articles. The story of the New York legislative campaign for the eight-hour, minimum wage and health insurance bills is included as an aid to understanding in all states, particularly in its revelation of the tactics of the interested opposition. With this number a new department, "Legislative Notes," has been added, in which will appear regularly brief items of current interest.

Numerous signs point to a new period of constructive legislative activity. The fruits of scientific investigation and public education must be utilized effectively if the new advances in protective labor legislation are to be fully abreast of the most enlightened experience.

JOHN B. ANDREWS, *Secretary*,
American Association for Labor Legislation.

Legislative Notes

Organized shipbuilders of the United States have endorsed the La Follette **Seamen's Act**—which at the time of its enactment by Congress in 1915 was denounced by powerful shipping interests as certain to "drive the American flag from the seas." Recently Mr. J. W. Powell, vice-president of the Bethlehem Shipbuilding Corporation, Ltd., announced that a special "Committee of American Shipbuilders" had been appointed to represent the American shipping industry in connection with legislative matters. After a number of meetings this influential and representative committee settled upon a platform on which the industry as a whole could agree. And in this platform appears the following: "**The American Seamen's Act has improved the living conditions on board ship, and is tending to draw Americans back to seafaring as a vocation. It should remain a law substantially as written.**" Here is a gratifying instance of enlightened self interest casting aside earlier prejudices and, in the light of practical experience, coming forward with hearty approval of well-considered protective labor legislation.

"The Ohio **workmen's compensation** system insures more people, collects more premiums, settles more claims, pays more awards and has more money in its reserve fund than any similar institution in this or any other country. * * * Of the popularity of the system there is no question. In fact, it might truthfully be said that it is the idol of working men and employers alike. Although all sorts of attacks were made against it for several years by private liability insurance interests, there never has been an amendment to the law except such as were drafted jointly by the Ohio Manufacturers' Association and the Ohio State Federation of Labor."—Thomas J. Duffy, *Chairman, Industrial Commission of Ohio.*

Over 35,000 physical examinations of workers have been made by physicians in the medical office of the Joint Board of Sanitary Control which supervises the tuberculosis benefit of the International Ladies' Garment Workers' Union and the sick benefits of two big New York local unions. The statement is made by the Board that it could easily fill a big sanatorium with patients, a hospital with acute surgical and medical cases and could with great benefit disburse hundreds of thousands of dollars for medical attention to the 75,000 workers and to their families. "Unfortunately, the means at our disposal are infinitesimal in comparison with the needs," says the Board's official bulletin. "Our city hospitals are overcrowded and the workers suffering from acute and chronic diseases have to wait weeks and, sometimes, months before admission to them. The medical and cash benefits

given by the two locals are meager, inadequate, and insufficient." No solution of the problem is in sight, the Board declares, except through workmen's health insurance. "There is a crying need for a social insurance law," it adds. "Some form of **compulsory health insurance** is bound to be enacted in the next year or two. Our Trade is preparing for this event."

URGING the adoption of **workmen's health insurance** laws, Commissioner James M. Lynch, of the New York State Industrial Commission, in an address May 26 before the New York City Conference of Charities and Correction, outlined the recent findings of eleven official state commissions as to sickness conditions among workers, and declared: "The workers know at first hand what all these official investigations have proved; that in from 35 to 80 per cent of the calls on organized charity the principal factor is sickness; that 30 to 50 per cent of the loans to workers by such agencies as the Morris Plan banks are forced by sickness; that about one-fourth of all workers are so sick that they have to remain away from work for eight days or more every year; that fully one-third of those too sick to work are without medical care; that families with the lowest wages have the most sickness; that probably 50 per cent of this sickness is due to health hazards in industry over which the workers have no control; that one-third of those in the poorhouses have been driven there by sickness."

To assist in promoting government by *equitable* law, a Los Angeles citizen offers the following unique contribution to platform makers and political mechanics:

I believe in a Lever Act if the fulcrum is in the center—

LABOR CAPITAL

V

JUSTICE

CRITICIZING as "very unfortunate" the recent five-to-four decision of the United States Supreme Court which declares that such "maritime" workers as longshoremen cannot longer be compensated for industrial accidents under state laws, the San Francisco *Chronicle*—once a bitter opponent of this legislation—incidentally remarks: "The state **compensation act** is one of the cases in which the *Chronicle* very vigorously disagreed with Governor Johnson, but now agrees with him very heartily. We thought we were right at the time. We long since discovered that we were wrong. Wise men change their minds upon sufficient evidence. Fools never do. * * * The compensation act is a good law admirably administered."

Longshoremen's Compensation Upset by Supreme Court

By Thomas I. Parkinson
Director, Legislative Drafting Department, Columbia University

WHETHER an injured longshoreman is entitled to the prompt and generally satisfactory compensation provided by our state workmen's compensation laws or to the technical and usually inadequate redress in admiralty to which he is theoretically entitled under the maritime law, may depend on whether his injury occurred on the ship, on the dock or at the very center of the gangplank.

In 1917 the Supreme Court determined—by a five-to-four decision in the Jensen case—that a dockworker injured on the gangplank could not be given the benefit of the New York compensation law, because his injury was within the maritime jurisdiction. It is admitted that had the worker been on the dock when injured, he would have been entitled to compensation. The decision was based not only on the constitutional provision which extends the judicial power of the United States to "all cases of admiralty and maritime jurisdiction," but also on the provisions of the Judicial Code which confer exclusive jurisdiction in admiralty cases on the United States district courts. The provision of the code, excepting from this exclusive jurisdiction common law remedies, was declared by the majority opinion not to include remedies under the workmen's compensation act, because the compensation remedy was unknown to the common law.

Following this decision the New York courts and the Industrial Commission reversed or denied pending awards or claims of compensation involving injuries within the admiralty jurisdiction. On October 6, 1917, Congress enacted a brief amendment to the Judicial Code which was intended to reestablish the right to compensation which had been denied by the decision in the Jensen case. This act provided that from the exclusive federal jurisdiction over maritime injuries there should be excepted not only common law remedies, but also workmen's compensation claims.

That Congress was impressed with the importance of restoring compensation to dockworkers is evidenced by the fact that the

amendment to the Judicial Code passed both houses and was signed by the President within a few days. Under the provisions of this act, the New York courts and the industrial commission have been awarding compensation to longshoremen or their dependents irrespective of the question whether their injuries were within the maritime jurisdiction.

But now comes another Supreme Court decision[1]—again by a five-to-four vote—in which the majority declares that the right to recover in admiralty for an injury within the maritime jurisdiction is exclusive, and Congress may not authorize the state legislatures to make their compensation laws applicable to such injuries. The dissenting opinion by Mr. Justice Holmes is couched in language which, like that used in the dissent in the Jensen and child labor cases, indicates his absolute conviction of the error of the majority. It is admitted, he points out, that Congress can change the admiralty law and Congress did so by an act which he compares with the Webb-Kenyon law. In both cases Congress sought to adopt or give effect to the state law. The majority opinion distinguishes the cases approving the Webb-Kenyon law on the simple ground that the statute involved intoxicating liquors. "To say," says the court, "that because Congress could have enacted a compensation act applicable to maritime injuries, it could authorize the states to do so, is false reasoning. * * * Congress cannot transfer its legislative power to the states—by nature this is non-delegable."

As in the Jensen case the majority opinion emphasizes the necessity for uniformity of maritime regulation and the desirability of encouraging investment in ships. **These are economic rather than legal considerations and as frequently happens in cases of this kind the opinion discloses the need of more attention by counsel in the argument of such cases to the economic consequences of the court's determination.**

From the legal point of view, as Mr. Justice Holmes points out in his dissent, it is important to note that where the framers of the Constitution deemed uniformity essential they expressly required it, as for example with respect to duties, imposts and excises, naturalization and bankruptcy. Moreover, uniformity in this matter is not essential—on the contrary it may be undesirable. Difference in living conditions, wage scales, etc., in various parts of the country

[1] Knickerbocker Ice Co. *v.* Stewart; decided May 17, 1920.

suggest the propriety of similar differences in the amounts recoverable for injuries sustained by dock workers. Moreover there is another phase of uniformity which in its practical effects is more important than uniformity of law for the ports of the country, namely uniformity in the law applicable to a particular worker.

Under the rules in admiralty dock workers are within the maritime jurisdiction if they are beyond the middle of the gangplank on their way to the ship, but if they are on the other end of the gangplank or on the dock they are seldom subject to the maritime law. This means that the application of the rules of the admiralty law to an injured dock worker depends upon his exact position at the time of the injury. It means also under this decision of the Supreme Court that a man employed on the docks is subject to the workmen's compensation law only when not subject to the admiralty law. The practical operation of our workmen's compensation systems has demonstrated that their success depends upon an insurance system. Economical insurance likewise depends upon the elimination of litigable questions. Insurance under workmen's compensation, as distinguished from the liability insurance which it replaced, is an insurance against the happening of an accident involving an injury, not insurance against the injured man's ability to enforce the employer's liability for such injury. The whole trend of legislative provision for the redress of industrial injuries is in the direction of the establishment of an absolute, or, as was said in the common law, an insurer's liability.

How can insurance of a compensation liability be economical as applied to dock workers when they are one moment subject to the state compensation law and the next moment within the exclusive jurisdiction of the federal admiralty laws? Finnegan's "off agin, on agin" is an apt expression of the situation created by these decisions. The Supreme Court in emphasizing the need of uniformity in this case might well have rendered just the opposite decision based upon the practical importance of uniformity in the law applicable to the individual worker rather than uniformity in the amount of recoveries in various parts of the country.

The majority opinion in the Knickerbocker case says: "Moreover if applied to maritime affairs the statute (meaning the New York compensation law) would obstruct the policy of Congress to encourage investments in ships." This is a short-sighted view of the situation and it could hardly have been incorporated in the

opinion if the argument in the case had properly developed the point. All the big maritime countries have insurance or workmen's compensation schemes for the redress of injuries whether they happen at sea or in port and these laws apply to seamen and dock workers. Burdens upon the merchant marine arise more from a failure to establish such systems and thereby encourage men to enter the maritime service than from the monetary cost of complete provision. This view, so completely at variance with Mr. Justice McReynolds' opinion, was evidently in the congressional mind when there was incorporated in the merchant marine bill, which became a law on June 5, 1920, a provision the purpose of which—its effect must await the Supreme Court's interpretation—was to permit seamen to recover for injuries in the same manner and to the same extent as interstate commerce employees may now recover under the federal employees liability law.

Though this decision is unfortunate in its present effects, it may be made the basis of renewed efforts to secure a comprehensive act of Congress providing uniform and adequate redress for injuries to dockworkers engaged in commerce on navigable water of the United States.[2] It is evident, however, from the technical nature of the opinions in the Jensen and Knickerbocker cases that such legislation will involve serious legal difficulties.

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[2] At the request of public officials and representatives of labor, the Association for Labor Legislation is preparing a workmen's compensation bill for early introduction in Congress.—EDITOR.

A Federal-State Employment Service Advanced in Congress

By John B. Andrews

FINAL passage of the bill to establish a national-state employment service on a permanent basis is one of the most important pieces of "unfinished business" that will confront Congress next December.

The Nolan bill (H. R. 544) "to provide for the establishment of a National Employment Bureau in the Department of Labor" has been advanced to an encouraging status. It has received a favorable committee report in the House of Representatives, and although it did not get to a vote at the congressional session ending June 5, it has reached a place on the calendar.

This measure, while not as thorough-going as some of the earlier proposals, and calling for no substantial appropriation immediately, is nevertheless of real merit, with good prospects of adoption.

Briefly, the bill provides for a commissioner of employment to be appointed by the President, who shall be the head of a National Employment Bureau in the Department of Labor. The usual provision for necessary assistants prohibits discrimination against any employee "by reason of sex alone." The bill covers in general terms and in familiar language "facilities whereby employers may obtain the services of persons seeking employment, and persons seeking employment may obtain such employment." In cases where there is an industrial dispute, the applicant for employment must be informed. The national bureau may cooperate with state bureaus which comply with its rules and regulations and may contribute to the maintenance of such state bureaus a sum not greater than that appropriated and spent by the individual state. Incidentally, but not unimportant, the existing Division of Information would be combined with the new bureau. The Postmaster General is both authorized and directed to extend the facilities of the post offices, including postal employees, wherever it is practicable to use them in carrying

out the purposes of the employment service. The Secretary of Labor is given broad powers to make all necessary rules and regulations.

Much public enlightenment has occurred since 1915, when the Association for Labor Legislation—right after the tragic "breadline" crisis of 1913-14—called the first national conference on unemployment, which adopted a resolution recommending such a federal system as that contemplated in the Nolan bill. Scattering efforts in states and cities have been made to provide at least sectional relief. Wartime experience with an emergency public employment service,[1] whatever its faults of operation, pointed the constructive way to effective industrial mobilization on a nation-wide scale. The President's message of May 20, 1919, gave recognition to this by urging the "developing and maintaining upon an adequate scale" of the federal employment service. A conference on unemployment at Washington last year, with delegates representing the governors of states and the United States Department of Labor, unanimously agreed upon essentials along the lines of the pending bill. Similar endorsement came from the American Federation of Labor.

At all times during years of effort to bring about final adoption of legislation to extend and unify labor exchange activities of the government and place them on an independent basis in the Department of Labor, the Association for Labor Legislation and cooperating organizations have kept in mind the desirability of stressing **efficient personnel, centralized control, definite functions** and **uniformity of policy.** If Congress strengthens the Nolan bill so as certainly to meet these tests, the public interest will be correspondingly served.

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[1] See article on "National-State Employment Service" in the *American Labor Legislation Review,* Vol. IX, No. 2, June, 1919, pp. 195-198, and "The Unemployment Program of the International Labor Conference and Its Applicability to the United States," in the *American Labor Legislation Review,* Vol. X, No. 1, March, 1920, pp. 51-59.—EDITOR.

American Seamen's Act Upheld A Far-Reaching Decision

By Andrew Furuseth
President, International Seamen's Union of America

IT was the very heart of the La Follette Seamen's Act of 1915 that was involved in the case known as *Dillon vs. Strathearn.*

By unanimously upholding Section 4 of this measure, the United States Supreme Court in its decision of March 29, 1920, has put the final seal of approval and constitutionality on one of the most significant legislative advances ever made in the protection of the world's workers.

Under Section 4, the American seaman may demand one-half of the wages due him in every port where the vessel loads or discharges cargo. This applies also to seamen on foreign vessels while in harbors of the United States.

Strathearn is an English vessel. Dillon was a seaman on her. Dillon claimed one-half of his wages earned and due as Section 4 provides. His claim was denied by the vessel on the contention that a contract signed in a foreign country, and legal where made, should not and could not be cancelled here in the United States. The attorneys for Dillon and the United States contended that a foreign vessel entering our harbors, by the fact of her entry accepted the laws as valid in the United States and that Congress has full power to make laws governing American ships and seamen applicable to foreign vessels while they are in harbors of the United States.

When the case came to the Supreme Court, the world-wide bearing of the Seamen's Act was made dramatically apparent. The British Government, supporting the vessel owners, had special counsel before the court as *amicus curiae* to attack the law. What was technically an action to collect three months' wages for John Dillon appeared in its true light as a matter of supreme international concern. The shipping interests of all countries knew that the Seamen's Act puts all seamen, American and foreign, on the same level in United States harbors, the consequence of which is to equalize seamen's wages the world over. This, together with the other protective features of the act, particularly the " language test " and the abolition of compulsory servitude on shipboard, has resulted already in an increase of the number of native Americans sailing before

the mast from about 5 per cent before the bill became a law, to 45 per cent at this time. The favorable decision of the Supreme Court fortunately leaves in full force the beneficial operation of this law which, in giving practical application to "American standards" for labor at home, is so peculiarly potent to place on a higher level the standards of labor for seamen throughout the world.

This law was enacted because it was understood that the United States could not hope to participate in the power and wealth that come from ocean commerce unless the American could be induced to become a seaman. This certainly holds good also for Great Britain. The Englishmen were leaving the sea to such an extent that, prior to the war, more than 100,000 foreigners—Europeans, Africans, Asiatics—were employed on British vessels. The greatest number were Hindus, of course called British; but it was not that kind of British who gave universal sea dominion to the British Isles nor will it be those men who can or will keep it. The tool of the seamen is the vessel and the vessels have always become the property of the nations or races that provided the seamen. For these reasons this legislation is of as great importance to Great Britain as it is to the United States. Whenever Great Britain shall make her seamen free and have their status correspond to modern enlightenment, she will in my opinion remain the mistress of the sea. If she fails in this, she will lose the trident. Nations only acquire power on the sea through their own people. They kept the power only so long as their own people remained with the sea. The trident passed from one to the other as the men went to sea or quit the sea. The violation of a wage contract should subject the violator to damages, and no more. When from a seaman all is taken, his body should be left to him as with men in other callings. Nations that refuse to grant this recognition of free men, in the spirit of the Seamen's Act, will lose the sea power.

The Seamen's Act is more than a charter of labor emancipation and public safety, benefiting directly and indirectly all who "ride down the seas"; it is a beacon of justice to draw the American sailor back to the sea, manning the ships that will lead the United States again into the forefront of maritime nations.

As Professor Henry W. Farnam well said in the AMERICAN LABOR LEGISLATION REVIEW[1] at the time the bill was passed: **"It would be better not to build up our over-sea shipping business than to make it dependent upon a reactionary labor policy. Better no American merchant marine than a merchant marine with no American mariners."**

[1] Vol. VI, No. 1, March, 1916, pp. 41-60—an excellent summary and discussion of the provisions of the Seamen's Act. This number of the *Review*, pp. 61-68, contains also a contribution by Mr. Furuseth on "The Seamen's Law and Its Critics."—EDITOR.

Rehabilitation for Industrial Cripples Federal-State Plan Adopted

By Irene Sylvester Chubb

THERE are over 100,000 persons in the United States who have been permanently handicapped by industrial accidents. Their ranks are being augmented at the rate of over 10,000 a year. These maimed victims of industry constitute a pressing problem in social legislation. Shall they be, in the words of the late John Mitchell, "cast upon the human scrap heap," or shall society restore them again to usefulness as self-sustaining, self-respecting workers through vocational retraining?

The problem was first tackled in a constructive way in 1918 when Massachusetts established a division for rehabilitation of industrial cripples in connection with the Industrial Accident Board. The American Association for Labor Legislation from the first has believed that the prime motive of every compensation commission should be **rehabilitation.** It has therefore taken an active part in assisting the various compensation commissions to secure legislative sanction for cooperation with local education and health departments in the work of giving vocational guidance, retraining and reeducation to those whose injuries, in the opinion of the commission, will constitute a permanent handicap.

In harmony with the Association's efforts nine states in 1919—California, Illinois, Minnesota, Nevada, New Jersey, North Dakota, Oregon, Pennsylvania and Rhode Island—took steps to make rehabilitation a function of their compensation commissions. Most of the laws follow more or less closely the general plan of securing cooperation between the state accident commission, state and federal vocational education authorities, and the public employment service.

Although the time has been short for organization, Massachusetts and Minnesota have actually accomplished the retraining of a limited number of cripples; while California, Illinois, New Jersey, Oregon and Pennsylvania have the task of organization under way. Nevada has postponed action because their appropriation was apparently contingent upon the recent passage of the federal rehabilitation bill. Rhode Island, where responsibility for rehabilitation is placed solely with the board of education, and North Dakota have each trained but one cripple.

This year the movement to reclaim industrial cripples has been

extended to two more states—New York and Virginia. The Virginia law creates a division for vocational rehabilitation under the industrial commission and authorizes the commission to arrange for re-education in appropriate schools for periods not to exceed one year unless extended on recommendation of the school and on approval by the Governor. An appropriation of $10,000 is made, the bill anticipating assistance from Congress by providing for cooperation with the United States government and for acceptance of any federal grant offered to the states to encourage rehabilitation.

The New York act creates a state advisory commission for rehabilitation composed of the commissioner of education as chairman, the commissioner of health and a member of the industrial commission to be designated by the governor. The industrial commission is to report handicapped persons coming before it. The department of health is to arrange to get reports of handicapped persons from hospitals, clinics, dispensaries and health officers and also to examine persons reported from other sources than the industrial commission. The department of education is to offer vocational guidance, to arrange for retraining, to visit the families, to make surveys and to furnish artificial limbs and appliances at cost. During the training the handicapped persons are to be allowed maintenance not exceeding $10 a week for a period limited to twenty weeks unless extended by unanimous consent of the commission. In workmen's compensation cases the maintenance allowance is to be defrayed from a fund collected by assessing employers $900 in every case of death in which there are no persons entitled to compensation. An additional $75,000 is appropriated to carry on the work of rehabilitation. As in the case of Virginia a grant of money by Congress is anticipated by provision for its acceptance.

The federal bill to which the state measures refer—finally passed by Congress on May 25, 1920, and signed by the President June 2, is the Fess-Kenyon bill authorizing an appropriation of one million dollars annually to encourage the individual states to undertake the work of rehabilitation. The money is to be allotted to the various states in amounts not to exceed the amount appropriated for rehabilitation by each state respectively.

Congress has at last opened the way to cooperation by all the states in the meritorious work of federal-state vocational rehabilitation of industrial cripples. The encouraging beginnings already made by states, in advance of congressional action, means that justice is in sight for "the battle casualties of peace."

Old Age Insurance for Federal Employees

By John B. Andrews

"OUR investigations have convinced us that the Government is maintaining a most expensive civil pension system. Thousands of superannuates encumber the pay rolls and reduce the morale of the departments. Some are brought to their desks in wheeled chairs, and in one case an employee frankly told your Commission that he had no duties because he is blind. Of course, no administrative official has been found heartless enough to dismiss these faithful servants from the positions they occupy. Their salaries amount to much more than would be the cost of a generous retirement system, to say nothing of the decreased efficiency resulting from their presence."

This, from the report to Congress of the joint congressional commission on reclassification of salaries of federal employees, suggests in a few words both the human and the efficiency aspect of the problem which has at last been met by the passage of the Sterling-Lehlbach civil service retirement bill.

This measure is a significant extension of social insurance legislation. It puts the United States a long step ahead in far-sighted care for the men and women who faithfully spend their lives in its service. When, in 1916, Congress enacted a comprehensive federal workmen's compensation law, providing indemnity for half a million civilian employees of the government in case of industrial accident or occupational disease, the Association for Labor Legislation found in this "model act" a most encouraging gain. This first big step in federal social insurance has now been supplemented in an important way by the establishment of contributory compulsory old age and invalidity insurance for the government's 300,000 employees in the classified civil service.

The measure provides for the retirement of railway mail employees at the age of sixty-two; mechanics, letter carriers and post-office clerks at sixty-five, and all other members of the classified civil service at seventy. Any employee able and willing to carry on his duties efficiently may, in the discretion of the head of his department, and on approval by the civil service commission, be continued in his position beyond the retirement age for two periods of two years each, but no longer. On retirement an employee becomes automatically eligible to a yearly pension ranging from $180 to $720, according to salary and length of service. No one who has not been

employed by the government for at least fifteen years is entitled to benefits under the law.

In addition to the old age pension provisions, the act establishes the same benefits for those who, after fifteen years' service but before the retiring age, become totally disabled because of disease or injury "not due to vicious habits, intemperance, or wilful misconduct."

An estimate submitted by Senator Smoot put the probable cost of the retirement feature of the law for the first year at a little over $2,000,000, increasing gradually to more than $18,500,000 in the seventy-seventh year of operation. The employees' contribution toward the raising of this fund is made through a deduction of 2½ per cent from all salaries. Since the deductions are granted according to income in all cases, but benefits are held at a flat rate of $720 for all employees who receive $1,200 or more, some of the higher priced men will be paying proportionately more for their annuities than those with smaller salaries. However, agreement on this point was reached before the bill was introduced, the higher paid men foregoing larger annuities for the sake of getting the much-needed system adopted. Employees' contributions, it is computed, will cover about one-third of the expense of the law. The remaining two-thirds, the government's contribution, will be paid from general taxation.

The interests of those who leave the government's employ or die before attaining the age or length of service necessary for retirement are fully protected.

Administration of the act is in the main lodged with the commissioner of pensions under the Secretary of the Interior, and the commissioner's annual reports are expected to yield a store of valuable data hitherto unavailable on methods of meeting the old age dependency problem in this country.

Unions of government employees performed a valuable service through their organized effort in making publicly known the conditions which called for legislative treatment. The Joint Conference on Retirement, representing the civil service employees of the United States, assisted by the American Association for Labor Legislation, put up a vigorous nation-wide campaign for this much-needed measure. **Its adoption should quicken the growing movement for old age pension legislation by the states for workers in both public and private employments much as accident insurance legislation was stimulated by the federal government's original adoption of the workmen's compensation principle.**

Progress in One Day Rest in Seven Legislation

By Solon De Leon

EXPERIENCE gained during the war, when every shell that could be turned out and every rivet that could be driven were important, added further proof, if any were needed, that seven-day labor is humanly demoralizing and industrially uneconomical, and that it should be eliminated from modern large scale industry.

The most striking recognition of these facts was contained in the report of the British Health of Munition Workers Committee. When England entered the war the customary restrictions on working hours were thrown aside. Later, as output, instead of maintaining the high level thus reached, began to decline, the committee was appointed to learn why. After an intensive investigation it declared, on the subject of one day's rest in seven:

> If maximum output is to be secured and maintained for any length of time, a weekly period of rest must be allowed. Except for quite short periods, continuous work is a profound mistake and does not pay—output is not increased.

As a result of this searching study, Sunday work in British munition shops was practically abolished.

In the United States, also, a certain amount of governmental recognition of the weekly rest day principle was secured. After seven months of war-time pressure for increased output, the Bureau of Ordnance issued a general order which in the interest of high production urged that one day's rest in seven be made the "universal and invariable rule."

In New York and Massachusetts, the two states where enforceable one day rest in seven legislation has existed long enough to permit a judgment on its operation, the laws are being reasonably well enforced.

The New York statute permits the industrial commission to allow variations from its terms in case of practical difficulty or unnecessary hardship, provided the spirit of the law is observed and substantial justice done. Under this clause about 292 variations were granted during approximately the first five years of the commission's existence.

About sixty of these variations were granted to meet commercial or industrial emergencies arising in particular plants. In the first year six applications were denied because the employers did not prove the necessity for continuous operation.

About 146 variations were granted to necessarily continuous industries which agreed to put all seven-day workers on an eight-hour basis. In many of these cases the variation applied only to a few engine room men. In others it covered all workers in the plant. In all cases, it is understood, an affirmative vote of the men was secured before the variation was allowed.

About 84 variations were granted for limited periods for war work. Before allowing these variations the commission insisted upon having evidence, usually in the form of approval by the government department concerned, that the work was on a genuine war contract. No variations were allowed for women workers.

In the five year period under consideration the commission issued 10,426 factory and 39,763 mercantile orders concerning the one day rest in seven law, and secured 11,417 compliances in factories and 38,550 in mercantile establishments. In four years 3,144 persons were found working seven days a week in factories and 369 in mercantile houses. Prosecutions begun in the latter period numbered 616 against factories and 886 against stores.

In Massachusetts the law does not authorize the granting of variations. In five years twenty-one prosecutions were entered.

In 1919 the New York law was amended to cover elevator operators.

In the same year Wisconsin adopted a statute based on the same standard bill as the New York and Massachusetts acts. It went further than either, however, in the extent of its exemptions, leaving out butter and cheese factories, flour and grist mills, and canneries. Its provisions for enforcement are also less thorough.

In 1919, also, Michigan adopted an act covering only motormen and conductors on interurban trolley lines. Provisions for enforcement are absolutely lacking. The act is interesting, nevertheless, as the first attempt in America to apply the weekly rest day principle to the transportation industry.

As a result of existing one day rest in seven legislation, probably 30,000 wage-earners in the country have had their working week reduced from seven to six days. Due to the small number of states where the legislation exists and the limited scope of the laws, many of the most important continuous industries, such as iron and steel, railroading, and hotels and restaurants are still working their employees seven days out of seven. To extend to the millions of men and women employed in these industries the benefits of one day rest in seven legislation is an important duty of the reconstruction period.

Legislation for Maternity Protection

By Irene Osgood Andrews

COMMUNITY responsibility for the protection of maternity has finally led to demands for legislative action, both state and national.

The federal bill for the public protection of maternity and infancy was discussed on May 12 before the Senate committee on public health, and was favorably reported. This bill does not of itself establish maternity care, but calls for an appropriation to be distributed to the various states in proportion to their population, provided the states appropriate an amount at least equal to the sum given by the federal government. The initial appropriation is $2,000,000, with an increase of $400,000 each year for five years, and thereafter $4,000,000 annually. In addition, irrespective of state appropriations, $10,000 for printing and distribution of information is to be provided for each state which accepts the conditions of the act.

States that wish to secure the benefits of the federal measure must provide for the care of maternity and infancy in accordance with the standards set up by the federal board of maternal and infant hygiene which the bill creates. This board will consist of the secretary of labor as chairman, the chief of the Children's Bureau as executive officer, the surgeon general of the United States public health service and the United States commissioner of education. The actual administration within the states is placed in the hands of the division of child hygiene of the state board of health where such divisions exist; otherwise a state board of maternal and infant hygiene is to be created.

In Massachusetts several bills providing for medical care were before the legislature and in one bill a weekly cash payment for a limited time was included among the benefits. At the public hearing in March, I was impressed with the widespread interest in the subject and the many different groups who urged enactment of this legislation. The committees of the legislature had apparently given the bills careful consideration, but failing to agree upon details finally secured the appointment of a commission to study the subject further and report on or before November 15 to the special session of the legislature. Massachusetts will probably be among the first of the states to adopt this much-needed legislation.

The special protection of motherhood and early infancy has long been an accomplished fact in Europe and Australasia. Over twenty countries, and five American states, have prohibited the employment of expectant mothers just before and after childbirth, and over half of these countries provide money compensation during this required rest period. More than a dozen countries through insurance or state grants provide medical and nursing care, or cash benefits, or both, for all mothers within a given economic group, during the later months of pregnancy and at the time of childbirth, while Australia provides a cash benefit for every child born. An excellent description of these systems of maternity insurance was recently prepared by Dr. Henry J. Harris of the Library of Congress and published by the federal Children's Bureau. In America the five states which prohibit the employment of mothers before and after childbirth have not yet provided either medical and nursing care or cash benefits.

To-day America finds herself the only important country making practically no official attempt to stop the appalling waste of motherhood. By systematic effort medical science has reduced the death rate from typhoid fever about one-half and from diphtheria more than one-half. But for more than fifty years there has been comparatively little improvement in the maternal death rate from childbirth, although statistics show that about three-fourths of these deaths are from two causes, infection and toxemia, which physicians state can "almost always be prevented." How much longer are we to permit this wastage of human life? As the editor of the New York *Evening Mail* has said:

"We talk of raising up a useful, happy and effective citizenship out of the raw human material of our immigrant population and yet to the children of the soil—to those who are born in America—we deny the first aid of helping them to survive the hazards of earliest infancy. * * * We do not know of any better cause to which the women of the country have ever lent their influence. * * *"

Following the experience of the leading European countries, the American Association for Labor Legislation has for several years advocated maternity care in connection with a system of general health insurance. If the federal bill is passed state action can probably be hastened through a plan of state grants, and the Association is forming a special committee to co-operate with members in the various states for the purpose of securing as quickly as possible adequate maternity protection legislation. This legislation should be in harmony with the reasonable requirements of the federal bill.

Migratory Bird Treaty Decision And Its Relation To Labor Treaties

By Joseph P. Chamberlain
Director, Legislative Drafting Research Fund, Columbia University

ENCOURAGEMENT to those who believe that the United States should be free to enter into treaties for the international protection of labor is found in the Migratory Bird Treaty decision handed down April 19 by the United States Supreme Court.[1] It covers a point of cardinal importance in any labor treaty and its particular significance in this connection lies in the fact that our highest tribunal has here, for the first time, marked out lines along which the full authority of this nation may be exercised in concert with other nations for the well being of the workers.

By the act of March 4, 1913, certain migratory birds were taken under the custody and protection of the United States government and certain game laws of the various states were set aside by a federal statute. The statute being held unconstitutional by the lower federal courts as beyond the power of Congress, and it being probable that the Supreme Court would agree, a treaty was entered into on August 17, 1916, between the United States and Great Britain, on behalf of Canada, by which protection for these birds was made international. Congress on July 3, 1918, passed a new act regulating migratory birds and declared that it was for the purpose of carrying out the treaty. The President promptly promulgated regulations under the statute. Congress assumed that under the treaty power it could take control of a subject otherwise in the exclusive control of the states and pass legislation otherwise not within its power to carry out a treaty. The Executive endorsed the

[1] Missouri *v.* Holland.

opinion of the legislature.[2] And now this assumption is fully borne out by the Supreme Court.

In the Migratory Bird case, the treaty and the statute putting it into effect are similar to a labor treaty in that they regulate, not the rights of foreigners, or the relations between foreigners and citizens, but the acts of citizens or residents as such, and the decision is that the treaty power can thus regulate the acts of citizens of the United States in an instance in which it was doubtful whether it could do so under any other power in the constitution, provided that the matter regulated is properly a subject for diplomatic action.

Labor treaties, such as the one prohibiting night work for women, which was revived in the Treaty of Versailles, regulate the relations of individuals within a country with one another, not the rights of foreigners in their relations with citizens or residents. These treaties and the statutes applying them are of importance not so much in the sense that a foreigner can assert rights or can be protected under them, as in the fact that under the treaties the conditions of local industry are regulated.

It has been frequently decided in the Supreme Court that a treaty could over-ride the legislative power of a state so far as it was a grant of rights to foreigners in the United States made in an agreement which granted similar rights to American citizens abroad.[3]

Justice Holmes in the opinion of the court in the Migratory Bird case denies that the tenth amendment, reserving to the states powers not delegated to the United States, was a bar to the treaty and statute, since the treaty was an exercise of the power delegated to the United States to enter into treaties, and, if it were valid, then the statute carrying it into effect is "necessary as a proper means to execute the powers of government." He brushes aside the argument that

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[2] Illuminating and comprehensive discussions of the power of the United States under the constitution to enter into labor treaties—by Mr. Chamberlain and by Thomas I. Parkinson, director of the Legislative Drafting Department, Columbia University—appear in the *American Labor Legislation Review*, Vol. IX, No. 3, September, 1919, pp. 330-338; and Vol. IX, No. 1, March, 1919, pp. 21-32.—EDITOR.

[3] Thus a state statute of limitation was annulled by the provision of a treaty where the state statute expressly affected the rights of foreigners protected by the treaty, and state statutes limiting the rights of inheritance of foreigners fall before a treaty which gives those foreigners rights denied them by the state statute. (Fairfax *v.* Hunter, 7 Cranch. 603; Chirac *v.* Chirac, 2 Wheat. 259; Geoffroy *v.* Riggs, 133 U. S. 258.) Furthermore, state statutes prohibiting the employment of Chinamen by corporations were held invalid as depriving Chinamen of rights secured to them by the treaty between the United States and the Empire of China. (Parrott's case, 7 Sawyer 527.)

"what an act of Congress could not do unaided, in derogation of the powers reserved to the state, a treaty cannot do." Whatever the limitation on the treaty making power may be, this is not the correct criterion.

The problem as stated in the decision in the lower court[4] is whether or not the treaty was a valid exercise of federal power of negotiation, and the judge there says:

> A treaty is a compact between two or more independent nations with a view to the public welfare. It is a compact made between two or more nations, entered into for the common advancement of their interests and the interests of civilization.

He believes that the protection of migratory birds was properly a subject of negotiation with a foreign country because of the reciprocal benefits which each state will draw from the treaty. Justice Holmes said in upholding this exercise of the treaty power:

> It is obvious that there may be matters of the sharpest exigency for the national well being that an act of Congress could not deal with but that a treaty followed by such an act could, and it is not lightly to be assumed that, in matters requiring national action, "a power which must belong to and somewhere reside in every civilized government" is not to be found.[5]

The language of either judge would apply to a treaty for the mutual protection of the interests of labor and of manufacturers, by securing the joint prohibition of night work for women, fully as well as to a treaty for the mutual protection of migratory birds in the interest of farmers and hunters.

It would seem clear as a result of this decision that the United States may by a treaty and a statute applying that treaty regulate the actions of people within the country, whether or not the rights of foreigners are directly involved, provided only that there be mutuality.

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[4] Missouri *v.* Holland, 258 Fed. 479, p. 482.

[5] Page 3 of Advance Sheets.

The Legislative Campaign in New York for the "Welfare Bills"

By Frederick MacKenzie

The welfare bills have now reached the Rules Committee of the Assembly. They will stay in that committee unless and until Speaker Sweet permits them to come out. Unless they come out they cannot be debated upon the floor of the Assembly. They will simply be **strangled to death** without a word said for or against, without a chance for a vote or a roll call by which the men and women of New York may know how their legislators stand on these vital bills. **The same tactics have prevailed for six years now.** The eight-hour-day bill has been introduced each year for six years. Not once has debate of it upon the floor of the Assembly been permitted. Just once in four years has debate of the minimum wage bill been permitted. This may seem smooth political craftsmanship to the mind of Mr. Sweet. **It seems to the voters of New York like contemptible and un-American jugglery of our supposedly representative institutions.** Will Mr. Sweet repeat these tactics in 1920? Will his fellow Republicans of the Assembly permit him to repeat? The *Tribune* and a great many Republican voters are waiting observantly to find out.—Editorial in the New York *Tribune,* **April 7, 1920.**

THESE tactics *were* repeated in 1920. A last-minute resort to antiquated rules and a subservient caucus in the lower house did succeed in "strangling" the eight-hour and minimum wage bills in committee after they had passed the Senate for the second time. This was done while the spotlight was turned upon the sensational "trial" and expulsion of a duly-elected group of workers' representatives in the Assembly. It was accomplished with much declaiming against the "Bolshevism" of the well-considered welfare bills—eight-hour, minimum wage and workmen's health insurance.

Arbitrary tactics again won. They won a respite for the opposition to these measures. But they won for the recent session of the New York legislature one of the most deplorable records on protective labor laws in the history of American states. More significantly, they won public condemnation which is faithfully reflected in the following from a New York *Globe* editorial—typical of the protests made generally by the metropolitan press in both parties:

When it comes to describing what took place in the Assembly neither Walter Arndt of the Citizens' Union nor Governor Smith succeeds in phrasing the popular opinion. "Temporary expedients, calculated to

allay but not cure, were in high favor. **Measures intended to bring about permanent improvement for the future were brushed aside.** The disciples of Bourbonism and reaction effectively controlled legislative action." Thus the governor. Mr. Arndt refers to the session as a "brainstorm." **But words are feeble to express the disapprobation of a defied and disappointed citizenry.** Something more enduring than anger, something deeper than contempt, has gone out against Speaker Sweet and his old guard.

The executive council of the State Federation of labor in a "summary of legislative results for 1920" issued May 24 declared:

> The legislature seemed to have energy only for battling with the hay-stuffed monsters of sedition it had hysterically created. Designed really as a smoke screen to obscure its purposes, the so-called Daly lobby—maintained by a reactionary group of manufacturers with the intent of preventing the adoption of progressive laws in this State—prompted the procedure by which the Socialist assemblymen were ousted from their seats in defiance of the Constitution of the United States. We deplore and condemn this autocratic action, mindful that if such a precedent were to hold the rights of political minorities would be constantly in jeopardy and our system of democratic representative government endangered. * * * It was considered hopeless by the advocates of the health insurance bill to seek its release from the hostile committee to which it had been consigned.

Yet there is an outstanding gain to be credited to the 1920 legislative campaign—a gain that is being felt far beyond the boundaries of New York state. It lies in the fact that the interested opposition to reasonable working hours, a living wage and health insurance as advanced in many industrial states, has been driven at last into the open, its methods of deception and legislative "influence" exposed, and the public and industry have been awakened as never before to the need for health conservation.

When the legislature adjourned a year ago,[1] after the eight-hour, minimum wage and health insurance bills had all passed in the Senate only to be buried in the Assembly by the Sweet machine, the campaign was renewed with increased activity. The opposition, declaring that health insurance was not dead, but only halted, centered its attacks upon this measure with a campaign of misrepresentation unusually virulent.

Within a few weeks the public was warned that what was termed "a state-wide spy system" had been launched in an effort to defeat the health insurance bill. In a circular letter, June 20, Secretary Mark A. Daly of the merchants' and manufacturers' association,

[1] An account of the 1919 legislative campaign will be found in the article "Health Insurance Bill Passes New York Senate" in the *American Labor Legislation Review*, Vol. IX, No. 2, June, 1919, pp. 226-238.—EDITOR.

Buffalo, called upon employers for a mailing list of their employees "whose opinions carry weight with other workmen" in order that literature opposing the health insurance bill could be sent them. "The list," employers were assured, "will be kept in confidence."

This aroused the State Federation of Labor which has been actively supporting the health insurance bill as a foremost demand in its immediate legislative program. A bulletin issued by the Federation's executive council made the statement that many employers "immediately repudiated the suggestion" and quoted the protest of one employer who forwarded the circular to the Federation's Albany office with the following comment:

> The workers are not to know where the material comes from. They are to be cleverly poisoned by a biased point of view. Those above are to impose their ideas upon the workers without the workers understanding. The [Daly] bulletin says it will pay for the employers to provide a full list of names. This professional lobbyist is willing to employ this clever subterfuge and keep the country from being a better country because it is supposed to pay. These are the fellows that create Bolshevism.

"The methods of the secret police under the Czar in their utmost refinement are to be applied to the labor movement in this state," warned the labor officials. "The 'molding of opinion' is to be started by subterranean methods. An employer's spy in each work room is the ideal aimed at by the high-minded promoter of this scheme." They pointed out that "**the same methods were attempted against workmen's compensation but they did not succeed**" and declared that "if labor is awake and active" they will not succeed against workmen's health insurance. "In any event," the labor bulletin concludes, "we will play the game openly and above board."

Meanwhile, additional strong support and official endorsement was given to the health insurance bill in the recommendation of the Reconstruction Commission of the State of New York, favoring a compulsory health insurance law.[2] And the educational campaign for the measure was continued with fresh vigor—and, as it developed, with unexpectedly enlightening results.

The State Federation of Labor through its special committee on health issued a sixth printed report on the health insurance bill as an answer to opposition attempts to mislead workers. The compulsory plan is essential, the report declared, in order that the active interest of employers will be enlisted in clearing out of factories,

[2] See *American Labor Legislation Review*, Vol. IX, No. 2, June, 1919, pp. 250-251 and Vol. X, No. 1, March, 1920, p. 46.—EDITOR.

workshops and mines conditions which breed ill health among workers; that it may be made "entirely unnecessary to rely in any way upon a commercial insurance corporation with an army of agents and exorbitant acquisition costs;" and that the sickness benefits will reach those who most need them.

"**Most of the ammunition in opposition to compulsory health insurance,**" the report says, "**has been furnished by the commercial insurance interests. The same interests have for years stood in the way of the kind of workmen's compensation laws desired by the workers, and the American Federation of Labor has unequivocally condemned their interference in the workmen's compensation field.**"

At a meeting of the State Federation of Labor and the Women's Joint Legislative Conference, which represents more than a million newly-enfranchised voters, at Syracuse, August 27, resolutions favoring this legislation were unanimously adopted. Governor Smith promised his continued aggressive support. Senator Davenport, who fathered the health insurance bill which passed the Senate, described the need for and the benefits of this "next step in social legislation following workmen's compensation," insisted that it must be compulsory to be effective, and declared: "**The great body of independent workers who demand this legislation in New York and will soon demand it throughout the country are the greatest bulwark against radicalism that we have in America. The employing class cannot continue to appeal to them to keep their judgment sober in order to keep society safe, and then fight them at every turn in the matter of a great human need like the development of illness prevention and health insurance.**"

At meetings of women's, labor, civic, medical, dental and business organizations throughout the state, the provisions of the matured health insurance bill were explained. Through the press and by means of instructive pamphlets issued by various bodies, notably the State Federation of Labor, the Association for Labor Legislation, the Y. W. C. A., Consumers' League and the State League of Women Voters, public discussion of the measure was aided. Everywhere was found not only increasing popular interest in workmen's health insurance but also apprehension over the methods of the opposition which appeared to have been accelerated in some way, not yet generally understood.

It is well known that concerted opposition to health insurance

legislation is inspired by commercial insurance interests. They fought health insurance in the California campaign under the name of the California Research Society of Social Economics, C. D. Babcock, secretary. The same Mr. Babcock—of the staff of the so-called "Insurance Economics Society of Detroit," an organization fostered by commercial insurance interests—appeared upon the scene following adjournment of the New York legislature, this time under the banner of the "New York League for Americanism"! From the outset—long before its pedigree was publicly exposed—its methods of deception and appeals to prejudice met with resentment and protest. An article in the New York *Evening Sun* said:

> Had Mr. Babcock, too, changed his name with each move the whole system might be less absurdly obvious.

And an editorial in the New York *World,* November 30, expertly caught the drift of the League's announced purpose, thus:

> **UN-AMERICAN "AMERICANISM."**
>
> With headquarters in Syracuse, the New York League for Americanism calls for "a million volunteers to fight un-Americanism wherever it appears." In such a cause a million men may easily be enrolled if the people are satisfied of the league's specific purposes. But its very first task, we are told, is to fight—what? Bolshevism? Bomb-throwing? Mob Rule? No! To fight compulsory health insurance! Thus this self-styled defender of American institutions begins by tooting its trumpet for the assault upon a measure praised by many Americans of the purest type, which can in no sense be called subversive or dangerous.
>
> A good American can advocate health insurance. Another good American can oppose it. A third may conclude that it might be advantageous if well administered, yet doubt if the state is up to the task. But any one of the three becomes un-American when he attempts to make this debatable issue a test of patriotism.
>
> We are told that this league was "founded by manufacturers." If so, the manufacturers behind it need a few lessons themselves in elementary Americanism.

Public attention was further arrested by news accounts of "stormy" meetings against the health insurance bill arranged by certain groups of doctors newly banded in some sections of the state into so-called "Professional Guilds." It early became noticeable that the "arguments" and "statistics"—not to mention some incorrigibly fantastic eloquence—were invariably and demonstrably of a piece with the propaganda of misrepresentation and clever appeals to a mistakenly selfish interest put forth by the newly-arrived League for Americanism. One who sat through many such impassioned meetings observed that while in most cases the audience

was begged at the outset to consider how a health insurance law must surely destroy "the sacred relation between doctor and patient" nevertheless at the climax came a threat—either brutally direct or else subtly implied—that physicians would "go on a strike" if health insurance were adopted because they had to "think of their own families" and protect their own "bread and butter." Coupled with such "arguments" and Americanism-league propaganda, attempts were made to discredit the health insurance bill through violent attacks upon its proponents.

One conspicuous bit of misrepresentation appearing in opposition propaganda drew sharp criticism from Dr. Henry J. Harris, chief of the Division of Documents, Library of Congress, in an article in the *American Economic Review*.[3]

Reviewing a pamphlet issued by the National Civic Federation against health insurance, Dr. Harris found in it a resort to "extreme" and "violent" assertions; to "partial" quotations so twisted as to "give quite a different impression from that intended in the original," and to the partisan use of commercial insurance propaganda as reflected in the writings of Frederick L. Hoffman, vice president of the Prudential Insurance Company.

The Civic Federation pamphlet, which purports to be "a refutation of false statements in propaganda for compulsory health insurance," assails in heated terms the well-considered conclusions not only of individual economists, actuaries, public health officers, physicians, legislators and representatives of organized labor, but also of official state commissions favorable to health insurance laws. Specific instances of "doctored" quotations used in a misleading way by the Civic Federation's committee and Mr. Hoffman, particularly in their attempt to discredit social health insurance, are cited and refuted by Dr. Harris.

"Thus" he points out that in the pamphlet "is given an extract quoted in such a way as to indicate that a British report holds that the maternity benefit has failed of its purpose"; while "no mention is made of the qualifying statement, 'but this does not mean that the specific beginning of an "endowment of maternity" which Mr. Lloyd George has effected * * * has not already proved an enormous boon.'". Dr. Harris continues:

> Some of the assertions go further and are but partial statements of fact; thus it is stated that "the average number of days compensated per sick member increased in Germany from 16.1 to 20.2" (between 1890 and 1913); but **no reference is made to the law of 1902 which raised the minimum benefit period from 13 to 26 weeks and included certain**

[3] Vol. X, No. 1, March, 1920, pp. 157-160.

diseases previously not compensated. * * * In order to give the impression that malingering is a serious evil under the British system, a partial quotation is given of the results of examinations by medical referees in Ayrshire where "in other words, nearly one-half (of those receiving sick pay) were found fit for work." **What is not stated is that the cases examined by the referee were persons whom the insurance officials suspected were not entitled to benefits and had called before the referee for examination.**

The positive assertion is made in the pamphlet that the final report of the British health of munition workers committee "is equally cold toward health insurance" and "credits that insurance with no evidence or data bearing on sickness." Dr. Harris meets this by recalling the fact that only rarely and incidentally did that investigation touch the field of health insurance, and, contrary to the Civic Federation statement, the committee in its report specifically thanks the national insurance commissioners for assistance in "the loan of their officers and the supply of information."

The Civic Federation pamphlet makes the "positive assertion" that "health insurance in Switzerland, except in one or two cantons, is voluntary," while the fact is, Dr. Harris points out, that "at present six cantons have adopted compulsory systems."

"A careful reading of the pamphlet," Dr. Harris concludes, **"is all that is necessary to convince one that there is a larger measure of truth in the statements so violently denounced" than in this "refutation" by the Civic Federation.**

At the beginning of the 1920 legislative session, Governor Alfred E. Smith in a strong message again urged the enactment of a health insurance law to protect workers and their families against the hazards of sickness. He declared there is pressing need for **"a sound program of social, industrial and governmental betterment which will remove those causes of discontent which true Americanism requires should be eradicated."** He pointed out that two-thirds of the cause of poverty depend directly or indirectly on sickness and that illness falls with crushing weight on those least able to bear the burden.

"Health insurance," he said, "assures some measure of that peace of mind which comes from the certainty of proper medical care, the absence of which in cases of illness is always the dread of the worker. It is clearly indicated by recent experience that health protection is essential if we are to have sound able citizens. If the individual is to have adequate protection, he must be prepared at all times to defray the expenses of a maximum period of illness. This maximum provision by each indi-

vidual is financially impossible." Favoring the compulsory plan, he said: **"I reiterate my belief in the principle that health insurance for industrial workers should be compulsory. Expenditure for voluntary health protection is apt to be considered a non-essential and often would prove too heavy a burden on the budgets of the workers. It does not mean that a worker will not be free under health insurance to select a physician of his own choice. It does mean that the worker is assured of the means to provide for proper medical care."**

Before the welfare bills were introduced, however, a situation developed that discounted all hopes for favorable action at this session in the Assembly. Speaker Sweet suddenly precipitated the sensational suspension and "trial" of the Socialist members, and despite nation-wide protest against this "blow at representative government"—condemned most vigorously by the New York Bar Association—he held his control throughout the proceedings which ended in a vote for the expulsion of the five regularly-elected working class representatives.

Influential organizations, in stirring resolutions, denounced Speaker Sweet's leadership in suspending the five assemblymen. The **Citizen's Union** warned that it "tends to substitute the autocracy of mob rule for the orderly processes of representative government." The **City Club** of New York, through its Board of Trustees, declared that "this arbitrary action can be regarded as nothing less than an assault upon representative government in this city and state and upon the peace and social welfare of this community," and added: "This country need have no fear of violations of its institutions coming out of the majority rule of the ballot box. Surely no encouragement should be given to extreme radicals for argument that the door for lawful and constitutional changes is closed." The **Women's City Club** of New York characterized it as "subversive of the fundamental rights of the political minorities openly exercised and contrary to the established privileges of representative government." Labor's condemnation as expressed in a resolution of the **Central Federated Union** of Greater New York and vicinity, criticized the Speaker's action as "contrary to all precedents and ideals of our Republic" and says it is "a flaming torch thrown by reckless hands. * * * The structure of labor built up by years of effort may be caught next in its flames."

Of especial significance was the adoption by the **New York City Bar Association** of a vigorous resolution of protest and the

appointment of an able committee to "protect the principles of representative government" in the proceedings at Albany. The resolution declared that Speaker Sweet's action "is un-American and, if successful, must destroy the rights of minorities and the very foundation of representative government."

Employers and labor alike, as well as enlightened citizenship everywhere, promptly and vigorously made known their vital concern in the contest thus precipitated by reaction-mad leadership. **It was made plain to all that there can be no hope for scientific labor legislation where blind Bourbonism is permitted to halt the functioning of representative government and nullify the orderly constitutional method of making the will of the people the law of the land.**

The reactionary leadership that forced this action had announced at the outset its continued and determined opposition to the welfare bills. The "trial" was more than a "red herring" to throw public demand off the trial marked out for the quiet demise of these measures once more in committee rooms; it was an amazing climax to the same ruthless tactics employed a year earlier in withholding them from a vote on the floor of the Assembly. Then the forces in control of the Assembly drew the issue sharply by blocking progress through orderly legislative processes; here appeared a spectacular flaunting of representation itself. In the earlier case every Assembly constituency in the state was denied its right to the voice and vote of its representative on the welfare bills; in the recent case, five constituencies were arbitrarily deprived of all right to legislative representation.

Despite this situation—and resort by the opposition to a parliamentary trick—the minimum wage and eight-hour bills reached a vote in the Senate and for the second time were passed by an overwhelming majority made up of both Democrats and Republicans. Having passed the Senate, both bills went to the Assembly. What happened in that body is thus tersely reported by the Women's Joint Legislative Conference:

> At noon, April 23, Speaker Sweet called a "conference" of Republican assemblymen **which turned into a party caucus, the only one called for such a purpose during the entire session; the members being detained for four hours behind locked doors.** After repeated roll calls and an attack on the bills by the Speaker, who made a personal appeal to the men to defeat the bills, the Republicans were whipped into line. * * * **The press of the state had been unanimous in opinion against the use of unfair methods in fighting the bills.** All of no avail. They had been doomed for slaughter before they were born. This fate was to

have overtaken them in the Senate, but the Senate refused to be a party to it. Therefore, a party caucus was necessary and the same death penalty issued as was last year—strangulation in committee.

In introducing the health insurance bill in the Senate, March 12, Senator Frederick M. Davenport publicly declared that, before it was pressed to second passage, efforts were needed to uncover and counteract the campaign of misrepresentation against it by the interested opposition which had "deliberately poisoned" public opinion by "a subtle and organized propagandism." And he added:

A vast organized propagandism, with great expenditures of money, has been set in motion against it in this state by designing men. For the time being, many intelligent persons are dupes of this propagandism. Until the hidden and selfish purposes which lie behind the organized and powerful propagandizing and lobbying of certain purely greedy business groups are disclosed, the proponents of this bill believe that an honest opinion upon the merits of the principle of illness prevention and health insurance inside the realm of industry, cannot be obtained. * * * Until the fog of misrepresentation is lifted, and medical and general opinion becomes clarified and formulated, frank and open discussion should continue. * * * It is of far greater consequence to let the light in upon the secret forces of reaction which are really the backbone of the stubborn opposition to this and other proposed measures of social amelioration in the State of New York.

This was done. At the time Senator Davenport made his protest an expert investigation making possible this service was well under way. And on March 23 the entire press of the state and the leading newspapers of the rest of the country carried under bold headlines the news of the submission to Governor Smith by the New York State League of Women Voters of a "**Report and Protest to the Governor, the Legislature and the People of the State of New York upon the danger confronting popular government in the legislature and, particularly in the Assembly of the state, arising out of an organized lobby and propaganda, known as the Daly lobby and propaganda, backed by the Associated Manufacturers and Merchants ('The Associated Industries of New York State') and promoted by the so-called New York League for Americanism—the combination being one that exerts an influence powerful and perilous to orderly and intelligent public opinion at large and to legislative opinion at Albany.**" This significant report was reprinted in the March number of the AMERICAN LABOR LEGISLATION REVIEW as of immediate interest to friends of labor legislation throughout the country who are facing in their own states similar interested opposition to social welfare measures.

The report stated that its findings are based on an expert investigation covering several months. It was undertaken by the State League of Women Voters, representing the strongest elements in both parties, because its members had been startled at the very outset of their career as voting citizens by evidence of an attempt by organized "vested interests" to influence legislation through "a regime of pseudo-patriotic propaganda" in a manner inimical to public interest.

Week by week during the 1920 legislative campaign the organized women voters had found progress of the eight-hour, minimum wage and health insurance bills blocked by unseen forces. They had to meet at every turn the aftermath of insidious misrepresentation and false appeals to prejudice spread throughout the state by a highly organized opposition. They observed the close concert in the activities of the manufacturers' association, the commercial insurance interests, the so-called League for Americanism, reactionary legislators and certain groups of doctors. They heard the warning early in the session by the leaders in control at Albany that the welfare bills "shall not pass." They participated in the hearings on these measures before the legislative committees which (this year as before) disclosed overwhelming public demand for the measures. They were amazed at the defiance of legislative leaders and the apparent hopelessness of securing favorable action in the Assembly on these well considered bills that had behind them a body of public understanding and support seldom given to any legislation on the eve of its adoption—continued, earnest, disinterested efforts on behalf of their early passage coming from such representative organizations as the State Federation of Labor, the Consumers' League, the Y. W. C. A., the City Clubs of New York, the Federation of Women's Clubs, the Association for Labor Legislation, the United Neighborhood Houses of New York and the Women's Trade Union League, with additional endorsements coming from many other state and national organizations such as the W. C. T. U., the Central Conference of American Rabbis, the United Hatters of America, and the United Mine Workers of America. They saw Governor Smith's strong and steadfast support of the bills thwarted. They sensed the antagonism that even made it impossible for the State Department of Health and the Charities Aid Society to secure passage of a feeble compromise bill to provide health centers. They recognized, as characteristic of the social outlook of the forces in control, the unfairness of their proposal for a legislative committee to study the sickness problem, eight of the ten members to be named

by organizations violently hostile to workmen's health insurance! The League of Women Voters set about to discover the reason why such measures of social progress "could not get, particularly in the Assembly, consideration impartially on their merits."

There is not the space, and it is perhaps unnecessary, to recount here the evidence presented in the Report which has already reached readers of the REVIEW in full. Suffice it to recall that the organized lobby and propaganda against the health insurance bill is shown to embrace the accredited lobbyist and other representatives of the up-state manufacturers' and merchants' association, the League for Americanism, the Sweet machine in the Assembly and so-called "professional guilds" of doctors, with the organized commercial insurance interests co-operating in the background.

Since the interested opposition is active in all states where advances toward health insurance legislation are being made, too much emphasis cannot be placed upon the disclosures of the New York State League of Women Voters as to the "League for Americanism." Some illuminating extracts from the "Report and Protest" follow:

> The secretary and active director of this organization is one Carleton D. Babcock, **a man who has long been employed by certain insurance interests to wage propagandist warfare against any form of workmen's cooperative illness insurance and other measures of human welfare.** * * *
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> He was brought to this state and hired to act as secretary of the League after his fight in California on behalf of certain insurance interests against legislation similar to that proposed in New York State. He was brought to this state for propagandist warfare in spite of the fact that the methods he used in California resulted in protests and denunciation on the part of such citizens as had become innocently associated with him there. We are informed by affidavits on this subject that Babcock's methods in California resulted in a "wholesale repudiation" of Babcock and his so-called California Research Society, with much criticism of Babcock on the part of those whose names had been used to support his work. * * *
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> The organization Babcock created in California was known as the California Research Society of Social Economics, **which had no other object than to make warfare against sickness insurance.** In that campaign he was in the hire of the Insurance Economics Society of Detroit, of which William Gale Curtis (who is also president of the National Casualty Company of Detroit) is the president. Dr. Frederick L. Hoffman, as "an unattached expert in economics," was one of Babcock's advisers in the California campaign, and before the campaign was over it was discovered that Hoffman is the statistician of the Prudential Insurance Company of America, Newark, N. J. Babcock himself repeatedly cautioned his associates against mentioning his California organization in connection with the parent organization of Detroit.
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> **The Insurance Economics Society of Detroit is an organization of certain insurance interests to fight any legislative measure providing for**

non-commercial illness insurance and similar humanitarian proposals. It works secretly, "donating" organizers, who go into various states "to align local interests, secure funds, form a list of vice presidents, and wage the campaign by methods of press publicity, printed pamphlets, and a bureau of paid orators."

Babcock imparted information to his California associates **that the Insurance Economics Society planned to wage similar campaigns in various states.** "He told specifically of one meeting in Detroit, attended by seven of the leading insurance financiers of the country, at which one million dollars ($1,000,000) was pledged for campaign and propaganda purposes."

Such is the man brought to this state to wage propagandist warfare **in the name of "Americanism."** * * *

In 1919, Babcock sought to employ an investigator who should commit himself in advance to the false and tricky views of the "League" regarding illness insurance, to accept a commission to go to England and from there write for American newspapers, articles to influence the "rank and file" of the working class against the measure proposed in this state. It was specifically stipulated by Babcock in writing that the investigator should be "in harmony with our views," and in view of the manner in which the mission was to have been performed, it appears that the newspapers of this state would have innocently given space to the deliberately prejudiced findings of the "League's" investigator without knowledge of the fact that he was a paid and biased emissary of this so-called League for Americanism. Babcock's attempt to get an investigator, qualified and disinterested, to prostitute himself to report adversely on the health insurance experience of England, was a failure.

It should be noted in passing that the same Frederick L. Hoffman of insurance connections, who assisted Babcock in California, later went to England and through the National Civic Federation and elsewhere in making adverse reports. * * *

Whatever may be the decision as to the future of the discredited League for Americanism, Secretary Daly of Associated Industries appears not to have abated his opposition tactics against the welfare bills. A recent editorial in the *Monitor,* official organ of his association, declares: "Having taken the stand that it has, the Y. W. C. A. cannot expect employers to support it, any more than the American Federation of Labor could expect employers to support it."

Why? The reason given for thus serving notice upon the Young Women's Christian Association—which has stood with the other women's organizations in New York in behalf of the welfare bills—is alleged opposition among employers to the progressive action taken by the sixth national convention of the Y. W. C. A. at Cleveland, April 16, in adopting a program of protective labor standards and approving the use of the Association's resources and influence to obtain legislation promoting the industrial welfare of

working women. The immediate program, which, as pointed out by many editors, is in full accord with protective standards for women and children adopted during the war by the federal government, includes recognition of the right of collective bargaining; the eight-hour workday; the prohibition of night work for women; one day of rest in seven; minimum wage for women and children; equal pay for equal work, and prohibition of child labor.

"The attitude of employers generally toward the Y. W. C. A. and its report," declares *The Monitor,* "will be gauged by what they believe to be the functions of the organization. If it is to adopt, as it has, certain principles for which the American Federation of Labor stands sponsor, then it must expect that employers will look upon it in exactly the same manner as they look upon the Federation of Labor."

While disclaiming "any disposition on the part of employers to influence the Y. W. C. A." by promise of support or lack of support, the editorial says "it will be a pity if ill-advised action interferes with its power to fulfill its mission."

A conspicuous service has been performed in this legislative campaign, not only for New York but for every other industrial state where workmen's health insurance and other welfare legislation is under way, by uncovering the source and tactics of the interested opposition. The public has been informed—thanks largely to exceptional interest and cooperation by the press—as to the influences that have been attempting to confuse the issues and interfere with orderly progress. It is the movement for health insurance that has directly led to such enlightenment, yet the results will be of aid in clearing the way to honest and untrammeled legislative action on other measures of industrial well-being as well. A further encouraging gain was noted in a statement April 14, by President Thomas L. Chadbourne, of the Association for Labor Legislation, who said: **"The permanent committee on social insurance of the Association for Labor Legislation has found that the movement for health insurance laws is already responsible for a great awakening to the need of health conservation measures. It has resulted in the wider expansion of public health agencies; it has advanced occupational disease compensation to the point of general acceptance, and it has stimulated many industries into providing various plans for health protection of labor in advance of the general adoption of health insurance laws."**

Workmen's Health Insurance in Great Britain A Recognized Success

PROMINENT TRADE UNION OFFICIAL REPORTS THAT WAGE EARNERS, AFTER SEVEN YEARS' EXPERIENCE, STRONGLY FAVOR COMPULSORY PLAN OF SICKNESS PROTECTION

¶ "In reference to our experience with Compulsory Health Insurance legislation in Great Britain I can say that the law is in better favor now than it was at the beginning. The early friction was mainly due to the fact that the Act was passed through Parliament very quickly and made operative before its administrative processes had been thoroughly thought out.

¶ "The wage earners have participated in the management of the Health Insurance funds and there has been little or no interference with the freedom of the individual. It is very rarely that we hear any serious complaint, and I cannot see that the success of the organized labor movement has been in any way jeopardized by this legislation.

¶ "Our Workmen's Compensation Law of 1906 provides payment for occupational diseases and as far as it can go it is good, but the benefits to the worker are bound to be insignificant when compared with the much greater benefits of the Health Insurance Act.

¶ "Industry should, of course, bear the whole cost of strictly occupational sickness, but efforts to separate the illness incapacity which is due solely to conditions of employment from the incapacity resulting from sickness in general and to put the whole cost of the former on industry, have not met with much success. Occupational disease compensation, we find, needs to be supplemented by Health Insurance.

¶ "It is recognized that permanent and general sickness benefits to all of the workers can be furnished most economically through a compulsory plan of insurance, and, although I have not great love for State interference in the ordinary affairs of life, I am bound to say that the experience gained after seven years' administration suggests that it would be desirable for every country to have a Workmen's Health Insurance system on a universal basis."

W. A. APPLETON,
Secretary of the General Federation of Trades Unions of Great Britain and President of the International Federation of Trades Unions.

Recent Progress in Social Insurance Throughout the World

By Olga S. Halsey

THE years of the war and especially the year and a half since the signing of the armistice have been marked by substantial advances in social insurance legislation.

Health Insurance

New health insurance legislation has been adopted in 1919 in Portugal, Czecho-Slovakia, and Poland. In Portugal all persons between fifteen and seventy-five years of age engaged in any honorable occupation with an income of less than 900 escudos a year are subject to compulsory insurance. The maximum benefits include cash benefit for one year, baths and open air treatment, funeral benefit and medical care for the insured, his wife and children under fourteen. In the new republic of Czecho-Slovakia, compulsory health insurance legislation applies to all persons working for hire regardless of income whether in agricultural, industrial or domestic employment, excluding public employees. The act provides free medical care, including obstetrical services; a cash sickness benefit equal to 60 per cent of wages, payable for thirty-nine weeks; a cash maternity benefit of 60 per cent of wages, payable to insured women for as long as they are unable to work and during the six weeks following confinement; a nursing benefit of half this amount paid until twelve weeks after confinement to women who nurse their children and a funeral benefit paid in certain cases.

Countries which have amended existing health insurance legislation include Great Britain, Norway, Germany and Austria. The British amending act of 1918 made important technical alterations in the financial basis of the act and simplified the administration. That of 1919 increased the income limit for non-manual workers who will be subject to compulsory insurance. Discussion now centers around the increase in the rate of the cash sickness and maternity benefits and the corresponding increase in the rate of contributions contained in a recent bill introduced by the government. The Norwegian act of 1915 increased the income limit for all persons embraced within its scope; extended the maternity benefit from the six weeks following confinement to the two previous weeks and provided free obstetrical aid and a cash benefit

of thirty crowns to the wives of insured men. Germany in an order of November, 1918, and again in 1920, has greatly raised the income limit, increasing the number of workers covered by the health insurance law. More notable is the increase in maternity benefits, replacing the special arrangements of the war period. The amending act of 1919 provides maternity care not only for insured women as formerly, but also for the wives, daughters, step and foster daughters of insured workers living in their households, as well as for all women of moderate means. The statutory benefit, instead of the previous eight weeks' cash benefits, now provides for all the above groups allowances in cash for defraying the expenses of medical care during pregnancy and at confinement; a cash benefit for ten weeks of which six must come after delivery and a nursing benefit payable for twelve weeks after confinement. The act also permits an increase in contributions to meet the expenses of the enlarged maternity provisions. Austria by an amending act of 1917 increased the duration of cash sick benefit from twenty to twenty-six weeks and of maternity benefit from four to six weeks after confinement and added a nursing benefit of one-half of this amount payable for twelve weeks following delivery.

In addition, compulsory health insurance has been endorsed by official commissions in Italy and Sweden. Of special interest is the Swedish recommendation for a compulsory measure, which, in a kingdom where voluntary insurance has long been encouraged by state subsidy, would include among its beneficiaries three-fifths of the entire population of the Kingdom.

Recent health insurance legislation manifests a distinct tendency to increase the scope of the legislation.

Old Age Provision

New legislation for compulsory old age insurance has been enacted by Italy, Spain, Portugal, the United States, Uruguay and by Czecho-Slovakia for salaried employees. In Italy the dissatisfaction with the system of state-subsidized voluntary old age insurance and the insistent demands of workers and employers led to the adoption in April, 1919, of compulsory old age insurance. Practically all manual workers and those salaried and professional workers earning less than 350 lire a month are included. Old age pensions are granted at the age of sixty-five or when earning capacity is permanently reduced by one-third. Workers employed in certain industries, such as glass work, foundries, etc., may claim a reduced pension at sixty, although not incapacitated. The income

is derived from equal contributions from workers and employers and from a state subsidy. Portuguese provision includes practically all persons earning less than 900 escudos a year and grants an old age pension at seventy, an invalidity pension for absolute invalidity to perform any work and a pension to surviving widows and children. Funds are obtained from an assessment upon employers equal to six per cent on all wages and salaries up to 900 escudos, from contributions of the insured workers equal to 1½ per cent of wages or salaries and from a state subsidy. In Spain the new measure of 1919 applies to the wage-earners between sixteen and sixty-five whose annual income does not exceed 4,000 pesetas. Invalidity and old age pensions at sixty-five are provided. At the outset, employers and the state alone contribute; after an initial period workers also contribute. In Uruguay, legislation provides for an old age pension at sixty and to others absolutely incapacitated or indigent. Funds are derived from special taxation. In Czecho-Slovakia legislation is limited to salaried employees.

Countries which have amended existing old age insurance legislation include Great Britain and Germany. In Great Britain the weekly statutory pension has been increased by an act of 1919 from 5*s.* to 10*s.* and the income limit has been advanced, thus increasing the number of persons covered. In Germany, the eligible age for an old age pension under the compulsory old age and invalidity insurance law has been reduced from seventy to sixty-five by an act of 1916, thus increasing nine times the number of those eligible for the old age provision.

The new legislation and proposals exhibit a familiar divergence between the contributory and non-contributory basis for old age protection. These developments, as well as recent amendments, show a marked tendency to provide pensions at lower ages than have hitherto been generally considered necessary.

The enactment of a compulsory, contributory old age and invalidity insurance law by the United States Congress in May, 1920, for the federal government's civilian employees in the classified service is a significant advance for this country.

Unemployment Insurance

State provision for the unemployed has also received a great impetus, especially since the signing of the armistice. Among the countries which have provided for the unemployed from government grants are Great Britain, Belgium, Germany, Austria and Czecho-Slovakia, while France and Switzerland have liberally added to the

amounts obtained from industry. In 1918 the British government decided to give out-of-work donations for a limited period to discharged soldiers and unemployed civilian workers, and to temporarily discontinue benefits under the compulsory unemployment insurance act of 1911. The definitions and tests of unemployment and the administrative machinery developed in the former measure were adopted by this admittedly emergency provision. The British scheme, like those adopted elsewhere, aimed to aid only those genuinely unable to obtain suitable employment, and of these the British appears to have been the most carefully administered. The British provision, like that of Poland, was admittedly only a temporary arrangement, adopted in an emergency. Austria, by March, 1920, had decided to proceed with the abolition of the unemployment grants.

French and Swiss provisions are based upon state aid and contributions from the employer. The French provision which aims especially to care for those unemployed because of the lack of raw materials decreases with the lapse of time the share paid by the state and increases that of the employer. Relief granted for other causes of unemployment has been reduced. Swiss provision is to be replaced ultimately by an unemployment insurance law.

A new compulsory unemployment insurance measure was adopted by Italy in 1919. This applies to manual workers and to salaried workers earning less than 350 lire a month. Benefits, not exceeding one-half wages, are paid after a week's waiting period for a maximum of 120 days. The insurance is supported by the equal contributions of workers and employers.

Great Britain, by an amending act of 1916, temporarily included within the scope of compulsory unemployment insurance all persons engaged in munitions activity. After the signing of the armistice, the out-of-work donations were substituted, only to be discontinued after a year's operation. Shortly after, the government presented to Parliament a bill for compulsory unemployment insurance, following closely the principles of the 1911 act, which would insure nearly 12,000,000 workers. The bill raises the rate of contribution and of cash benefits.

The extraordinary dislocation of industry due to the transition from war to a peace basis has driven home the public responsibility for helping in the solution of the unemployment problem. The great emergency was followed, naturally, by emergency steps; from this there is developing, as in Great Britain and Switzerland, comprehensive unemployment insurance.

Employers Favor Exclusive State Fund for Workmen's Compensation

EDITOR'S NOTE: The following extracts from a report by a committee of Virginia employers, of which E. L. Greever, Richmond, is chairman, constitute a significant and encouraging contribution to the movement toward state accident insurance in America. Also of timely interest in this connection is the fact that the Canadian province of Manitoba this year re-wrote its compensation law establishing a state insurance fund. More than half of the provinces of Canada are now under the exclusive state workmen's compensation insurance plan. In the United States, sixteen states have already established state funds, seven of which are exclusive.

THE State has already adopted a compulsory Workmen's Compensation Act. * * * The State having thus compelled its employer-citizens to adopt and accept the policy of compulsory insurance against loss resulting from the injury or death of employees, **it is the obvious duty of the State to see that no hardship is imposed upon any of its employer-citizens.** * * *

Of course, without carrying any insurance at all, if the employer shall not be **negligent** himself, there can be no recovery against him in an action for damages. Yet he fears it may be decided that he was negligent, and he very much prefers to have insurance and thereby secure to himself the benefits of the act, some of which are settled conditions, avoidance to himself and the public of the cost and annoyance of litigation. Furthermore, **he has the consolation that he has not isolated himself from other employers who are doing their share in this highly commendable and humanitarian venture, and he also has the consolation of knowing that in case any of those who toil for him and the dependents of such, if accident results, will, to some extent, be provided for in their day of need.** Many employers having qualified by putting up the bonds, etc., are carrying their own insurance—self-insurers—as they are briefly referred to. Others are carrying it in the casualty companies, though claiming that the insurance rates are very much too high. Others, claiming that the rates are prohibitive, are not carrying any insurance at all, and are taking the risk that they may be found guilty of negligence and will therefore

have to respond in damages in case the matter cannot be otherwise settled.

This is the situation at the end of thirteen months of operation under the law, and at the time a majority of the legislative commission appointed two years ago files a report recommending a bill already introduced in both houses, providing for a State Insurance Fund under which employers can carry their insurance and under which the State contributes nothing to the fund incurs no liability on account of it, but simply provides methods and machinery in and by which the fund can be established, maintained and safeguarded, and, so far as not needed for current purposes, shall be invested and kept in the State.

It is certain that under such a plan the required compensation can be met and the cost of carrying the insurance greatly reduced from that which has been demanded of our employers by the casualty companies—"old line stock companies." * * *

It is certain also that, by reason of such reduction in rates, many employers who are not now carrying insurance at all, will do so by coming into the State Plan, and thus secure to themselves and their employees the benefits of the act. And according to the experience in other States, it can be safely assumed that many who are carrying their own insurance will come into the State Plan and add very much strength to it. * * *

A comparison of rates and costs of administration as between old-line insurance and State insurance (in states where the practicability and desirability of such plan has been fully demonstrated), is startling to one who did not know it before. For instance, the lumber manufacturing rate in Virginia today is $3.53 to $6.13 of $100.00 of pay roll, while in West Virginia where the State Plan has proven a great success, it is only 70 cents to $1.25 of $100.00 of payroll. In Virginia the stock companies claim and get for acquisition and administration expenses at least 40 per cent (saying nothing of profits), while in West Virginia the fund is administered at 3 per cent of the premiums paid in! And any profit is put into a reserve fund which is invested in the State and strengthens the fund. * * *

Under the Virginia law, as it now stands, employers are forced to pay to other corporations, namely, insurance companies, profits in an amount practically fixed by said insurance companies. We

say these amounts are practically fixed by the insurance companies because they all act jointly and fix the same rates, no matter how many of them do business in the State. These rates so fixed by the insurance companies in New York, where their rate-fixing committee is located, must be approved, it is true, by the Virginia Commissioner of Insurance, but they are presented to him with no opportunity afforded him to ascertain the facts applicable to the industries of the State, because no machinery is provided for making inspections. This means that he is compelled by the necessities of the case to approve rates as they are fixed by the insurance companies. But even after these basic rates are approved by the Commissioner of Insurance, they are not the rates actually paid by employers, because the insurance companies treat these rates simply as a standard of ideal conditions, and by their inspectors, whose interest it is to raise rates, they fix rates on individual plants arbitrarily with no provision by which the employer can question or controvert them.

There is another aspect of the present situation so serious as to be a menace. So absolute is the control of the insurance companies under the present Compensation Act, and so secure do they feel in that control, that their spokesman, in an open hearing before the Commissioner of Insurance, stated that their proposed rates would not be reduced, that they could not do business at a less rate, and intimated that they would withdraw from the State. In that event the vast body of employers in the State would find themselves bound by a compulsory insurance statute with no place to get the insurance. The situation is intolerable. The State should not prescribe a compulsory duty without providing an unequivocal, certain and just way for the proper performance of that duty. * * *

Will the Medical Profession Seize Its Opportunity for Leadership in the Coming Medical Reorganization?

"ONE needs to refer only to the available reports of sickness surveys to find justification for the charge that private medical enterprise does not meet the social need for medical care. Let us clear in our minds that this is not an indictment of medical men at this point, but of the scheme under which they are operating. Regardless of any defense or explanation that private practice may offer, the great charge seems to stand as a fact that upwards of one-fourth of those seriously ill enough to be confined to bed, go without medical care. **Unless medicine as now organized can adjust itself to meet the challenge of the uncared-for sick, the medical profession must expect the lay public to cast about for a scheme of medical service which will operate with better than seventy or seventy-five per cent efficiency.**"

This conclusion is reached in an article in *Modern Medicine* for April, 1920, by Theodore J. Werle of Milwaukee, "a lay medical worker," who has been "in public health work for nearly ten years." Mr. Werle writes, significantly, that in his contacts with the public he has seen crystallizing the decision that "with or without medical leadership, something is going to be done about this business of promoting health."

Reorganization of medical practice is inevitable. A new order is made necessary by social conditions. It will be forced by the growing public determination to put medical science at the service of all. Will the new scheme be a radical departure from existing practice—say, state medicine? Or, will it be a plan based on careful consideration of the demands of the profession—such as has been carefully worked out for medical organization under proposed workmen's health insurance laws? The answer, Mr. Werle points out, rests very largely with the doctors, themselves.

To illustrate a disposition on the part of the public to go ahead with needed improvement regardless of obstruction by physicians, Mr. Werle tells what happened in one city where an organization of women "decided that something should be done to reduce the cost of medical service for certain types of families in their city, families forced to go without medical care except in acute illnesses, yet families that were not paupers." These women sought but

failed to secure the cooperation of the physicians of their county on any practical basis. But that did not deter them. He reports:

> The women were convinced of the fairness of their proposal and were determined to put it through. Here is a significant thing. They did put through their plan—a public health dispensary—in face of the doctors' opposition. The public never for a moment accepted the medical men's viewpoint and the dispensary is operating today with splendid success.

Mr. Werle calls attention to the fact that leaders in the profession are aware of public sentiment and have counselled wisely that the only true course for the profession lies in taking the lead in the formulating of new policies, adding that—

> Although some of their own men have been sounding warnings the recent action of a group of New York State physicians in forming what they call a Physicians' Protective League to fight health insurance as a menace to the profession, is an example of the kind of reaction which will deprive medical men of the leadership in medical reform—a leadership which the public is willing they should have.

The nation-wide campaign for adequate medical care and disease prevention, Mr. Werle here suggests, is really constructive:

> As seldom has happened before in their history, this campaign affecting the doctors is based on fact, not prejudice. This campaign is not directed against the science of medicine or any of its adjuncts, such as vivisection. It is directed against the present scheme of the practice of medicine. The public is dissatisfied with this scheme not for the things it is doing, but for the things it is not doing. In other words, medical practice is much in the position of a man whose job has grown faster than he has. The man must do something pretty soon or his boss will. This is the dilemma. * * * Physicians should not lose sight of the fact that a considerable proportion of the lay public is already engaged in some part of this marvelously complete health campaign. No merchandising scheme with its jobbers, wholesalers, retailers, canvassers, and demonstrators was ever more complete, or will reach nearer 100 per cent sales than this loosely organized, frequently overlapping, sometimes conflicting effort of the public to sell itself the prevention idea. And this fact is very clear—the idea is "getting over." * * * Many doctors see medical service only as a means of earning a livelihood. With them it is a matter of bread and butter. They are not aware of their tremendous importance in the social order. The present scheme of things meets their needs and they are suspicious of innovations. On the other hand, health and disease are to the layman a matter of life and death, not merely bread and butter. The layman feels that there are other things a doctor might do if he does not like the returns he gets from the practice of medicine, but a life once lost cannot be replaced. And just now, on the doctors' own statements, too many lives are being lost needlessly.

On the well-supported premise that blind resistance is powerless to stay public demand for medical reorganization, the pertinent question is raised by Mr. Werle whether it is not the province of the medical profession to lead the way to the new order, to heed the call to the helm of socio-medical affairs, to seize the great opportunity for progress now lying before the profession.

World-Wide Labor Protection Through Orderly Progress

EDITOR'S NOTE.—Out of the maze of misconception and misinformation spread upon the record of the Senate debate over the labor provisions of the peace treaty, appears one address that is conspicuously able and enlightening. The following extracts are from the remarks on November 18, 1919, of United States Senator **CHARLES B. HENDERSON** of Nevada.

MR. HENDERSON. Mr. President, the objections to Part XIII, the labor part of the treaty with Germany, seem to be based on a fundamental misconception both as to the object and the effect of its provisions. * * * The idea of an international organization for the discussion of labor problems is by no means a new one. The need for such an organization was recognized long before the war. The severe competition which existed in the industrial field made it difficult for one nation to adopt improvements in labor conditions which might increase the cost of production if its rival held back, thereby preventing progress. The United States, Great Britain, France, and other advanced nations in labor thought and action were working by experiment, research, and along other lines for the improvement of labor conditions. These activities were directed toward perfecting safety devices, recreation, preventing industrial disease, and in other ways, but they were working independently. Cooperation and coordination only existed to a small extent. * * * Some small progress toward international action in industrial matters had already been made: (1) by negotiations between States, for example, the agreement between France and England in regard to the compensation of workmen for accidents under their compensation laws; (2) by the agreements made at Berne in 1906 at a conference convened by the Swiss Government in regard to the prohibition of the employment of women at night and the prohibition of the use of yellow phosphorus (the cause of a dangerous industrial disease) in the manufacture of matches.[1]

The war produced great changes in the labor situation. Labor had shared to the full the sufferings of the war, and also the burden of carrying it through, both in the field abroad and in the workshops at home, and in all countries demands were being made by labor not only for the prevention of war in the future but for the insertion of provisions in the treaty of peace which would bring about a reconstruction of social conditions and give labor a new status and a new hope. Public opinion in all the countries recognized the great contribution which labor had made toward the suc-

[1] For brief outline of the development of the international conferences of the Association for Labor Legislation leading to these effective agreements among industrial countries, see *American Labor Legislation Review*, Vol. IX, No. 3, September, 1919, pp. 297-298.—EDITOR.

cessful issue of the war; and there was, I think, a widespread desire that, if possible, there should be no return after the war to the worst social evils of the past. The unrest among labor was a very serious fact which had to be taken account of and dealt with. * * *

It was out of the conditions above mentioned that the conception of an international labor organization arose. Labor in England, France, and other countries was asking for the inclusion in the treaty of peace of the "labor program" which had been drawn up before the close of the war and for the participation of labor in the peace negotiations. This course, for obvious reasons, was impossible. The rejection of this proposal by the peace conference was a proof of their desire not to encroach on national rights or offend national susceptibilities; but it was possible to devise an organization which would deal, progressively and with full knowledge of all the circumstances and conditions, with proposals for the improvement of labor conditions. * * *

The leading ideas in the scheme * * * embodied in the peace treaty are (1) cooperation between the nations in the progressive improvement of labor conditions; (2) the summoning of a labor conference, in which all the parties interested—Governments, employers, and workers—should be represented and should discuss freely and independently the ways in which that improvement could be secured. The method adopted is the method of agreement, not compulsion; of free discussion and negotiation, in which labor equally with the other interests is given full opportunities of making its views known and getting its claims considered. In other words it is an application to the industrial sphere of the free representative institutions for which the United States and Great Britain have long stood in the political sphere. * * * The evident purpose is to bring the more backward States to a higher level. * * *

The international labor organization provided by the treaty (1) gives labor a constitutional means of expressing its views and exercising its proper influence in the regulation of labor conditions; (2) it helps to remove the hindrance to progress which results from international competition; (3) it promotes continual progress in the improvement of labor conditions by the stimulus which the contact of different minds, all interested in the same problems, provides; (4) it pools the experience of all nations and makes that experience available for all.

I can see something hopeful in these international councils. They will bring together the brightest minds of the world to solve the social questions of mankind, for each country at meetings of the general conference will have four delegates—two representing the Government, one representing labor, and one representing the employers. As Carlyle has well said:

This that they call the organizing of Labor is, if well understood, the problem of the whole future for all who in future pretend to govern men.

Book Reviews and Notes

The New Industrial Unrest. By Ray Stannard Baker. New York, Doubleday, Page & Co., 1920. 231 p.

In a book of eighteen short chapters this trained observer brings together his recent newspaper articles. "To any honest observer who surveys the developments of the past twenty-five years," writes Baker, "it is clear that while they have lost battles the workers are winning the war." As evidence of this advance he submits first of all "the immense body of labor legislation passed during the last few years in America." He declares that "the public must more and more keep in touch." In a sense a solution "consists in the attitude, the spirit, which one maintains toward the labor problem—an adventurous, inquiring, experimental attitude, ever hospitable toward new facts; and a generous democratic spirit."

Comparison of an Eight-hour Plant and a Ten-hour Plant: Public Health Bulletin No. 106. U. S. Public Health Service, Washington, 1920. 213 p.

The eight-hour day is more efficient than the ten-hour day in industrial plants. This general conclusion is reached by experts of the United States Public Health Service after a careful detailed study of conditions and production in standard factories of both classes which has been under way since 1917. The results, as presented in a comprehensive report—the first of a series of studies of fatigue in relation to working capacity,—bring together a wealth of information of particular value to industrial executives and legislators. The advantages are found to be all in favor of the eight-hour day with respect to steady maintenance of output, to reducing lost time to a minimum and to lessening the risk of industrial accidents. Here is a most helpful addition to the rapidly accumulating body of scientific testimony showing the benefits of reasonable limitation of the hours of daily work.

The Six-Hour Day and Other Industrial Questions. By Lord Leverhulme. New York, Holt, 1919. xv, 344 p.

Every speech in this collection bespeaks the broad vision and open minded characteristic of a director of over fifty plants throughout the world. Lord Leverhulme thinks industrial revolution wasteful and that progress lies rather in shorter hours, co-partnership and other industrial reforms which he portrays with active imagination and scintillating wit. He disclaims any socialistic or philanthropic bias. On the contrary, he bases his argument for a six-hour day on business experience gained in his own great "Sunlight"

soap plant. At the base of his reasoning lie two premises: machinery is more productive than human labor, and unfatigued workers produce more than fatigued workers. Therefore machinery must be used to its full capacity, by four six-hour shifts if need be, and labor must be allowed sufficient recreation to attain maximum usefulness. He states that the six-hour day will be profitable in those industries in which the cost of production in ever-head charges—*i. e.*, the investment in machinery—is greater than the cost of wages. In such industries by working machinery for longer hours and humanity, in two or more shifts, for fewer hours the cost of production can be lowered.

The sections on co-partnership and industrial questions will be especially helpful to employers who are trying to meet the labor problem half-way.

I. S. C.

My Neighbor The Workingman. By James Roscoe Day. New York, The Abingdon Press, 1920. 373 p.

The chancellor of Syracuse University in this book discloses why he thinks "it is high time that the country pronounced with unmistakable law against strikes of all kinds. There should be no doubt left that strikes are crimes."

Human Efficiency and Levels of Intelligence. By Henry Herbert Goddard. Princeton University Press, 1920. 128 p.

Delivered as lectures at Princeton University by the director of the Bureau of Juvenile Research of Ohio, these brief chapters furnish a suggestive basis for further application of scientific principles in the adjustment of individual workers to the jobs for which they are by nature fitted. Mr. Goddard declares: "A man who is doing work that is well within the capacity of his intelligence and yet that calls forth all his ability is apt to be happy and contented and it is very difficult to disturb any such person by any kind of agitation."

W. B. Wilson and The Department of Labor. By Roger W. Babson. New York, Brentano's, 1919. x, 276 p.

A readable, compact story of the machinery and organization of the United States Department of Labor, through which runs an appreciative biography of Secretary Wilson and the important part he has played in the American labor movement during the years in which he rose from eight-year-old laborer in the mines to Cabinet member.

The I. W. W. A Study of American Syndicalism. By Paul F. Brissenden. New York, Longmans Green, 2d ed., 1920.

The unusual has happened. A doctor's dissertation has run to a second edition! Dr. Brissenden's sympathetic account of the launching and development of this conspicuous working class organization, down to the point where it became the butt of "criminal syndicalism" laws in a dozen states, gains upon second reading. It has also had the rare good fortune to be accepted not only by students of the labor movement, but by the I. W. W. itself.

PUBLICATIONS

American Association for Labor Legislation

No. 1: Proceedings of the First Annual Meeting, 1907.
No. 2: Proceedings of the Second Annual Meeting, 1908.*
No. 3: Report of the General Administrative Council, 1909.*
No. 4: (Legislative Review No. 1) Review of Labor Legislation of 1909.
No. 5: (Legislative Review No. 2) Industrial Education, 1909.
No. 6: (Legislative Review No. 3) Administration of Labor Laws, 1909.*
No. 7: (Legislative Review No. 4) Woman's Work, 1909.*
No. 8: (Legislative Review No. 5) Child Labor, 1910.
No. 9: Proceedings of the Third Annual Meeting, 1909.*
No. 10: Proceedings of the First National Conference on Industrial Diseases, 1910.*
No. 11: (Legislative Review No. 6) Review of Labor Legislation of 1910.
No. 12: (American Labor Legislation Review, Vol. I, No. 1.) Proceedings of the Fourth Annual Meeting, 1910.
No. 13: (American Labor Legislation Review, Vol. I, No. 2.) Comfort Health and Safety in Factories.
No. 14: (American Labor Legislation Review, Vol. I, No. 3.) Review of Labor Legislation of 1911.
No. 15: (American Labor Legislation Review, Vol. I, No. 4.) Prevention and Reporting of Industrial Injuries.
No. 16: (American Labor Legislation Review, Vol. II, No. 1.) Proceedings of the Fifth Annual Meeting, 1911.*
No. 17: (American Labor Legislation Review, Vol. II, No. 2.) Proceedings of the Second National Conference on Industrial Diseases, 1912.
No. 18: (American Labor Legislation Review, Vol. II, No. 3.) Review of Labor Legislation of 1912.
No. 19: (American Labor Legislation Review, Vol. II, No. 4.) Immediate Legislative Program.
No. 20: (American Labor Legislation Review, Vol. III, No. 1.) Proceedings of the Sixth Annual Meeting, 1912.*
No. 21: (American Labor Legislation Review, Vol. III, No. 2.) Proceedings of the First American Conference on Social Insurance, 1913.
No. 22: (American Labor Legislation Review, Vol. III, No. 3.) Review of Labor Legislation of 1913.
No. 23: (American Labor Legislation Review, Vol. III, No. 4.) Administration of Labor Laws.
No. 24: (American Labor Legislation Review, Vol. IV, No. 1.) Proceedings of the Seventh Annual Meeting, 1913.
No. 25: (American Labor Legislation Review, Vol. IV, No. 2.) Proceedings of the First National Conference on Unemployment, 1914.
No. 26: (American Labor Legislation Review, Vol. IV, No. 3.) Review of Labor Legislation of 1914.
No. 27: (American Labor Legislation Review, Vol. IV, No. 4.) Association Activities.

*Publication out of print.

INTRODUCTORY NOTE

OWING partly to the limited number of regular legislative sessions in 1920, but more significantly as a result of the spirit of reaction that had grown so prevalent and temporarily blighting, the year's output of protective labor legislation, in the light of all legislative experience, is conspicuously meagre and ill-considered. Yet—particularly in the field of social insurance—it is not without encouraging advances.

Two measures to be credited as outstanding gains were finally enacted into law by Congress. One establishes a system of compulsory, contributory old age and disability insurance for the government's 300,000 employees in the classified civil service. The other creates the machinery for federal-state cooperation in the vocational rehabilitation of industrial cripples. Already twenty-four states have taken action looking to such rehabilitation—eighteen states having, by legislative enactment or through proclamations by their respective governors, accepted the provisions of the new federal law. Similar action by the other states, preparations for which are well under way, will bring to complete success the intensive campaign begun two years ago for the enlightened development of workmen's compensation legislation so as to make possible not only cash payments and medical care, but also the reclamation and restoration to useful, self-sustaining occupations of the maimed victims of industrial accidents.

Georgia comes into line this year with a workmen's compensation law, making a total of forty-six states and territories now having this form of accident protection, in addition to the federal government's model act for its half-million civilian employees. This means that within a decade the industrial map of the United States has been practically covered with compensation laws. Only five states—North and South Carolina, Florida, Mississippi and Arkansas—and these all in the non-industrial South still remain without social insurance against industrial injuries.

Twelve states and Congress amended existing compensation laws, the trend continuing in the direction of a shorter waiting period and more adequate provisions for medical care. Louisiana made accident insurance compulsory. New York's venture with an ill-considered amendment bringing a limited number of occupational diseases under the workmen's compensation law—brought forward as an expedient by interested opponents of the comprehensive workmen's health insurance bill—already after five months' operation shows a dearth of results even more disappointing than was anticipated before its passage in public warnings by the Association for Labor Legislation. Congress formally established a woman's bureau

in the department of labor. But for the rest, the legislation of the year marks a low tide of achievement.

Analysis of the labor laws of 1920, to which this REVIEW is largely devoted, was made by Irene Sylvester Chubb of the Association's staff, and it is hoped that the appearance of this summary well in advance of the legislative sessions of 1921 will be of service.

Of especial importance in the immediate legislative program is an emergency bill to extend federal workmen's compensation to longshoremen and other so-called "maritime" workers who were deprived of all protection under state compensation laws by a second unfortunate five-to-four decision of the United States Supreme Court. A bill to restore workmen's compensation to this large army of essential workers, engaged in especially hazardous employment along all the waterfronts of the nation—which the Association for Labor Legislation at the request of public officials, representatives of labor and other interests affected has been preparing within the lines now laid down by the highest court—will be introduced and pressed for early passage at the approaching session of Congress. Both the Democratic and Republican national party platforms in the present campaign contain pledges of favorable legislative action.

Other measures, calling urgently for the concerted efforts that will insure final passage by Congress, include the Nolan bill to establish a federal-state employment service—already advanced to an encouraging status on the congressional calendar—and legislation in state and nation for maternity protection. The Sheppard bill which has come before Congress will open the way to federal-state cooperation in safeguarding motherhood and childhood. The early enactment of laws in the states is necessary to insure proper cooperation with the federal government in this far-reaching work of conserving the nation's human resources. Already Massachusetts has set the pace by appointing an official commission to investigate the problem of pre-natal and post-natal care for mothers and babies with a view to maternity legislation.

Soon the legislatures will assemble in a majority of the states. The quadrennial political campaign will belong to the past. The way should be clear at last for a return from war measures to peace measures. Of these none will call for more serious, enlightened effort—and the effective application of scientific principles—than the body of legislation needed for the full protection of the safety, health and efficiency of labor.

JOHN B. ANDREWS, *Secretary*,
American Association for Labor Legislation.

Legislative Notes

Two Americans have been called upon to fill important positions in the official **International Labor Office** of the League of Nations, now in course of establishment at Geneva, Switzerland. From Canada, Dr. W. A. Riddell, for several years deputy minister of labor for the Province of Ontario, goes to Geneva to become director of the emigration section of the International Labor Office. And Dr. Royal Meeker, who has rendered distinguished service at Washington as commissioner of the bureau of labor statistics of the Department of Labor, has been placed at the head of one of the two main divisions, the scientific division, which will collect information with regard to the social and economic problems of the world and issue a number of scientific publications.

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TWENTY-FOUR states have already taken steps toward the **vocational rehabilitation of industrial cripples.** Thirteen states—Alabama, California, Georgia, Illinois, Massachusetts, Minnesota, Nevada, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island and Virginia—have enacted legislation of this nature, and eleven additional states—Arizona, Arkansas, Delaware, Indiana, Iowa, North Dakota, Ohio, Oregon, South Carolina, Tennessee and West Virginia—have accepted through action by the governors the provisions of the Fess-Kenyon law providing for federal cooperation with the states.

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DRASTIC penalties, including jail sentences, confront employers in New York state who fail to carry industrial accident insurance as required by the **workmen's compensation law.** The State Industrial Commission through its chief counsel, Bernard L. Shientag, recently announced that a campaign is under way for the vigorous prosecution of derelict employers. **"Despite all of our efforts,"** declares Mr. Shientag, **"there are many awards every year which are uncollectible because the employer has failed to carry the necessary insurance and is financially irresponsible. I shall not attempt to picture the hardship this creates, the resentment it arouses in the heart of the injured workman, or, if he has been killed, in his helpless widow and children. The discontent and the suffering thus entailed result in incalculable harm, not alone to the individuals affected, but to the entire community."** There are almost 1,000 cases a year in this state where awards to widows and children of workers killed and to workers maimed and injured in industrial accidents have to be sent to counsel for collection. Many of these awards are uncollectible because the employer is financially irresponsible and the compensation law, which the workers have relied on for protection, has become ineffective in those cases.

Efforts of the commission during the past fiscal year have resulted in a "gratifying" record of collection of unpaid awards amounting to $137,231.30. **Effective administrative,** however, calls for continued activity until there is no longer a single worker or his dependents covered by the law remaining without the full protection of workmen's compensation insurance. In an editorial approving the commission's aggressive move, the New York *World* remarks: "It may appear a harsh penalty to put an employer behind the bars for an offense that has been made one of the new crimes of society. But is the employer who invites this penalty more to be pitied than the worker's widow and children whom his negligence or worse has condemned to a life of penury?"

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THE **third meeting of the International Labor Conference** of the League of Nations will be held at Geneva, April 4, 1921. Protective measures for agricultural workers will be considered, including protection against accident, sickness, invalidity and old age. Reform of the constitution of the Governing Body of the International Labor Office will be taken up, as well as safeguards for children employed on vessels. Other questions on the Agenda are the disinfection of wool infected with anthrax spores, prohibition of the use of white lead in painting and the weekly rest day in industrial and commercial employment.

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THOSE **critics, who predicted that the machinery for world-wide advancement** of protective standards for labor provided in the labor charter of the peace treaty would tend to drag progressive nations down to the status of more backward nations, may wish now to revise their attitude in the light of actual results. Greece—the first nation to give legislative effect to the six Draft Conventions and to the Recommendation concerning the prohibition of the use of white phosphorus adopted by the first meeting of the International Labor Conference of the League of Nations in 1919—has fully guarded against any "leveling downward." The Greek parliament, in adopting the new body of labor legislation conforming to the program agreed upon at the Washington Conference, specifically enacted that "**all provisions of the existing laws of the country which assure more advantageous treatment to the persons affected by the Convention ratified by the present law shall, in accordance with the last paragraph of article 405, of the treaty of peace of Versailles, remain in force.**"

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A STEADILY increasing number of labor organizations are demanding workmen's health insurance. By adopting a resolution at its recent convention calling for the early passage of a **compulsory health insurance** bill, the State Federation of Labor of Maine brings the total to more than 50 state and national labor organizations that have already gone on record in favor of health insurance laws. In Canada, the National Trades and Labor Congress, which is composed of trade unions affiliated with the American Federation of Labor and devotes itself primarily to legislation for Canadian wage-earners, recently voted its official endorsement of social health insurance.

Continued success of the **exclusive state fund** for accident insurance under the Ohio workmen's compensation law is indicated by the recent recommendation of the state actuary that a 12 per cent dividend be declared to employers insured in the state fund. The dividend, it is reported, will approximate $1,350,000. The Ohio compensation law, by prohibiting commercial insurance companies from competing with the state fund, is able to furnish the protection at actual cost, which means a saving of millions of dollars every year to industry as compared with the excessive costs in stock insurance companies, as well as increasingly liberal benefits to injured workers and their families. The law is strongly supported by both employers and employees.

◇

The federal **minimum wage** bill for all government employees, which passed the United States Senate in May without opposition, was later called up for reconsideration, and, as a result of a filibuster, failed of final passage at the congressional session ending in June. Word from Washington, recently, suggests that friends of the measure may "expect favorable action immediately when Congress reconvenes."

◇

Reforms in prison labor recommended in a comprehensive report just made to the governor of New York by the official state Prison Survey Committee of which Adolph Lewisohn is chairman, include provision for extending the protection of the **workmen's compensation law** to convicts working in the prison shops. Modern, efficient shop equipment, to replace archaic machinery which is now in "appalling condition," is urged, as well as the payment by the state of fair wages, based upon the relative productive power of the prison shop workers, instead of the prevailing wage of "a penny and a half a day."

◇

Motion pictures are being used by the New Jersey State Department of Labor as a means of educating the public in the work of **vocational rehabilitation for industrial cripples.** The two-reel educational film which is now available to "movie" theaters in the state shows the co-ordination between the workmen's compensation bureau and the rehabilitation clinic. In this connection Commissioner Lewis T. Bryant announced in newspapers of August 12 that about 85 per cent of the crippled persons treated at the clinic have been restored to earning capacity and returned to work for which they are best fitted.

◇

"Ten years of opposition to **workmen's compensation** legislation in Missouri terminated today when committees of the Associated Industries of Missouri, representing 400 industries with about 200,000 employes, and of the State Federation of Labor, with a membership of approximately 150,000, exclusive of the railroad brotherhoods, agreed to unite their efforts in obtaining a favorable vote on the workmen's compensation act which will be submitted to a popular referendum at the November election."—*News Dispatch, October* 9, 1920.

LABOR LEGISLATION OF 1920

I. ANALYSIS BY SUBJECTS AND BY STATES

THE labor laws enacted by the eleven states which held regular and those states which held special legislative sessions prior to October 1, 1920, and by North Dakota, Ohio and Virginia which held deferred or special sessions too late in 1919 to be reviewed that year, together with the labor laws enacted by the Sixty-sixth Congress, second session, are summarized herewith in alphabetical order by subjects and by states, with chapter references to the session law volumes.

MISCELLANEOUS LEGISLATION

Kansas—Non-profitmaking corporations may be organized by five or more persons to promote the welfare of labor and industry, and shall not be liable to the corporation taxes. (C. 24. In effect, February 6, 1920.)

Kentucky—Governor is authorized to appoint a children's code commission of five members to survey child welfare in the state and report to the next legislature. No appropriation made for expenses. (C. 193. In effect, March 11, 1920.)

Maryland—Governor is authorized to appoint a commission to investigate, revise and prepare industrial and welfare laws and other legislation essential to more harmonious relations between employers and workers. Commission will consist of a manufacturer, a merchant, a mine operator or a contractor, a member of some labor organization and a representative citizen. Commission may employ counsel and is to hold hearings and report to the general assembly of 1922. For expenses, $5,000 is appropriated. (Res. 14. In effect, April 23, 1920.)

Massachusetts.—No citizen of the commonwealth who seeks employment with the commonwealth or any of its political divisions

or with any street railway owned or aided by the commonwealth may be discriminated against on account of national origin, race or color. (C. 376. In effect, July 29, 1920.)

New Jersey.—By a two-thirds vote of its stockholders any corporation formed under the law of New Jersey may adopt plans for the issuance and sale of stock to its employees, for profit sharing, for allowing employees to elect one or more directors or for furnishing to its employees medical service, old age or disability pensions, or insurance against accident, unemployment, sickness or death. (C. 175. In effect, April 15, 1920.)

New York.—A joint legislative committee, composed of five members of the Senate committee on labor and industry and six members of the same Assembly committee, is authorized to recodify the labor laws and report to the next legislature. It is allowed $5,000 for expenses. (C. R. In effect, April 24, 1920.) A commission is established to examine the laws relating to child welfare, investigate their effect and propose remedial legislation. The commission is to consist of three senators, three assemblymen, five representing the public and one each representing the departments of education, labor, and health, the state board of charities and the state probation commission. The commissioners are to receive no compensation, but are allowed $5,000 for expenses and employment of assistants. (C. 699. In effect, May 11, 1920.)

INDIVIDUAL BARGAINING

1. PAYMENT OF WAGES

Louisiana—Discharged employees must be paid within twenty-four hours upon demand. An employer who fails to pay is liable for full wages from the date of demand until payment. (No. 150. In effect, July 31, 1920.)

Massachusetts.—Scrubwomen employed in the state house must be paid weekly. (C. 221. In effect, June 28, 1920.)

United States—The law allowing seamen to demand when in port half of the wages earned is changed to permit demand for one-half of the unpaid balance. Seamen may not demand even this oftener than once in the same harbor on the same entry. Prohibition against advance payments to seamen or deductions from their wages is strengthened. The fine is changed from four times the amount

advanced or deducted to from $25 to $100. Whaling vessels are no longer exempt, and allotments to members of the family are no longer permitted. Demanding or receiving remuneration for procuring employment for seamen is made a misdemeanor. Maximum penalty, $500, or imprisonment for six months. (Public 261, 66th Congress, 2d session. In effect, June 5, 1920.)

2. MECHANICS' LIENS AND WAGE PREFERENCE

Massachusetts.—Claims for wages unpaid by a public contractor must be filed in the office of the county treasurer instead of with the officer or agent of the county, city or town who made the contract. (C. 210. In effect, June 25, 1920.)

New Jersey.—Bond required for payment for labor performed and materials furnished in constructing public works is no longer required to equal in amount the full contract price. (C. 110. In effect, April 27, 1920.)

3. EMIGRATION AND IMMIGRATION

Kansas—In order to improve industrial relations Congress is memoralized to further restrict immigration by examinations at the port of embarkation. (C. 74. In effect, March 22, 1920.)

4. MISCELLANEOUS

Massachusetts.—Law requiring textile factories to post certain specifications concerning the character of work to be done and the compensation in weaving rooms is amended to include spooling rooms. (C. 417. In effect, August 4, 1920.)

Mississippi—The maximum amount affected by the law directing to whom wages of a deceased employee shall be paid is raised from $200 to $300. Provision is made for paying the wages due to the husband if the deceased be a female, and if neither husband, wife nor children survive, a mother is given preference over a father. After sixty days have elapsed the person designated as the lawful recipient, or if a minor, the chancery clerk, may sue the employer to recover the amount due. The act does not apply if the estate is administered upon. (C. 304. In effect, March 27, 1920.)

New York.—Law entitling a female applicant for employment, if required to submit to examination, to have such examination made by a physician of her own sex is amended to apply to all

examinations to which female employees may be required to submit, but the employer is given the alternative of arranging for the presence of a woman attendant. (C. 603. In effect, September 1, 1920.)

Virginia.—Maximum wage of adult road laborers in Grayson county was raised both in 1919 and 1920, making in all a raise from $1.25 to $2.50 a day or from twelve and one-half cents to twenty-five cents an hour. Allowance for team and wagon or team and plow was increased from $3 to $5 and the wage for foremen was raised from $1.25 to $2.50 a day. (C. 86 and 156. In effect, September 10, 1919, and March 10, 1920.)

United States.—A "stop-watch" clause appears in the fortifications, naval service and army bills, as last year. (Public, 214, 243 and 251, 66th Congress, 2d session. In effect, May 21 and June 4 and 5, 1920.)

COLLECTIVE BARGAINING

1. TRADE UNIONS

Virginia.—Anti-trust law contains the stipulation that it shall not be construed to forbid the existence of labor organizations instituted for mutual help and not conducted for profit nor to restrain individual members from carrying out their legitimate objects. (C. 54. In effect, September 9, 1919.)

United States.—Members of the District of Columbia police and fire departments are forbidden, on penalty of discharge, to join any organization affiliated with a union which countenances strikes. Conspiracy to obstruct the efficiency of the police or fire departments by strike or disturbance is made a misdemeanor. Maximum penalty, $300, or imprisonment for six months, or both. (Public 94 and 124, 66th Congress, 2d session. In effect, December 5, 1919, and January 24, 1920.)

2. TRADE DISPUTES

Kansas.—The following industries are declared to be "affected with a public interest" and therefore subject to state supervision "for the purpose of preserving the public peace, protecting the public health, preventing industrial strife, disorder and waste, and

securing regular and orderly conduct of the businesses directly affecting the living conditions of the people of this state and in the promotion of the general welfare": preparation of food products, manufacture of clothing, mining, transportation of the aforesaid, public utilities and common carriers. To secure such continuity and efficiency of operation a court of industrial relations is established, composed of three judges appointed by the governor for three-year terms in rotation at $5,000. The jurisdiction of the public utilities commission is conferred on the new court. In case of industrial controversy the court may on its own initiative or must, if requested by ten citizen tax payers or by the state attorney general, investigate conditions of work, consider the wages paid and the return to capital and the welfare of the public and issue its findings and orders. In taking testimony the rules of evidence of the state supreme court must be observed. An order for an increase or decrease of wages is retroactive to the date of instituting the investigation. If orders are disregarded or if contestants feel aggrieved by orders, appeals may be taken to the state supreme court. The right of collective bargaining is recognized. It is unlawful for employers to discriminate against employees who give testimony; for employees to injure a corporation by boycott, discrimination, picketing, advertising, or propaganda because of action taken under this law; or for employers to limit operations to avoid the act. Violation is a misdemeanor. Maximum penalty, $1,000, or imprisonment for one year, or both. For an officer of a corporation or labor union to use his official position to influence others to violate the act is a felony. Maximum penalty, $5,000, or two years' hard labor in the penitentiary, or both. If suspension of an industry contrary to the act endangers public peace the court may take it over and run it during the emergency. Industries not covered may refer disputes to the court. The court must report to the governor annually. (C. 29. In effect, January 24, 1920.) Criminal syndicalism and sabotage are defined and made punishable. Advocating the use of violence to effect industrial or political ends is made a felony. Penalty, not more than $1,000, or imprisonment for from one to ten years, or both. Permitting use of a hall for such propaganda is made a misdemeanor. Penalty, $100-$500, or imprisonment for from sixty days to one year, or both. (C. 37. In effect, January 31, 1920.)

Massachusetts—Department of labor and industries must inform applicants for employment if a strike exists in any establishment

to which they are directed. (C. 412. In effect, August 4, 1920.) Allowance for remunerating experts employed by the board of conciliation and arbitration is increased from $7 to not more than $10 a day. (C. 361. In effect, July 22, 1920.)

Nebraska.—Constitution is amended to permit the enactment of laws providing for the investigation, submission and determination of industrial controversies, or for the prevention of unfair business practices and unconscionable gains, in any business or vocation affecting the public welfare. The amendment contemplates also the establishment of an industrial commission to administer such laws. Orders of the commission may be appealed to the supreme court. (Art. 14. In effect, January 1, 1921.)

New York.—For the expenses of the labor board formed to improve industrial relations, $25,000 is appropriated. (C. 894. In effect, May 21, 1920.)

South Dakota.—In case of a strike, lockout or other labor controversy the industrial commissioner may endeavor to conciliate. If unsuccessful he may investigate, giving each side an opportunity to present facts, and report his findings to the parties in dispute and to the newspapers. He may on his own initiative, or on request, call in two disinterested citizens to assist. (H. B. 19. In effect, September 28, 1920.)

Texas.—It is declared to be state policy that the operation of common carriers shall not be impeded or interfered with, and that to interfere with, molest or harass persons engaged in transporting commerce by intimidation or violence is unlawful. Transporting commerce includes employment by express companies or on docks, wharves, switches, railroad tracks, compresses, depots, freight depots, pipe lines or approaches or appurtenances to or incident to or used in connection with handling commerce by common carriers. Anyone who in conversation or otherwise with a person engaged in transporting commerce, or with any member of his family, at work or at home, attempts to cause him to desist from work through fear of violence is deemed guilty of intimidation. Violation is heavily penalized. (H. B. 6. In effect, January 2, 1921.)

United States.—The transportation bill contains plans for adjusting labor disputes arising in any express company, sleeping car company, and any carrier by rail under the interstate commerce act, except a street, interurban or suburban electric railway not part of a general steam railroad system, and the mediation and conciliation act of 1913 is not to apply to transportation systems

covered by this act. A railroad labor board is to be appointed by the president, three from among six nominated by employees, three chosen from among six nominated by the carriers and three representing the public. No member of the board may hold office in any organization of employees or carriers or be financially interested. Members rotate in office for five-year terms at salaries of $10,000. The board may appoint a secretary at $5,000. Labor adjustment boards may also be established by agreement between any carriers and their employees or subordinate officials. It is made the duty of carriers and employees to make every effort to avoid interruption of transportation, and to consider, and if possible to decide, disputes in conference. Any dispute involving only grievances, rules or working conditions which cannot be decided in conference goes to the labor adjustment board for hearing and decision. If the adjustment board fails to reach a decision or to use due diligence, or if an adjustment board is not organized, disputes involving grievances, rules or working conditions may come before the labor board. All disputes involving wages or salaries which are not settled in conference come before the labor board. If a decision of a conference involves such an increase of wages as to necessitate raising rates the labor board may within ten days suspend the decision and modify or affirm it after further hearing. Five members of the labor board, at least one of whom shall represent the public, must concur in any decision of the labor board. Prior to September 1, 1920, all carriers must continue the schedules of pay fixed under the federal control act and in effect, February 29, 1920. Penalty for violation, $100 for each offense. To pay salaries and expenses of the labor board $50,000 is appropriated. (Public 152, 66th Congress, 2d session. In effect, February 28, 1920.)

MINIMUM WAGE

1. PUBLIC WORK

New Jersey—To meet the present abnormal cost of living, the sum of $400,000 is appropriated to be used in temporarily increasing the salaries of state employees earning less than $1,500. (C. 10. In effect, March 19, 1920.) Employees of counties, cities, boroughs, municipalities and boards of education may be allowed a temporary increase in salary amounting to 30 per cent to meet the present abnormal cost of living. (C. 100. In effect, April 6, 1920.)

Virginia.—Salaries of all permanent employees of the state government, except heads of departments, are temporarily increased 10 per cent to meet the abnormal cost of living. (C. 88. In effect, December 9, 1919.)

United States.—Salaries of civilian employees of the United States and District of Columbia amounting to less than $2,740 are increased by temporary bonus as last year, piece work and per diem employees receiving proportionate increases. (Public 231, 66th Congress, 2d session. In effect, May 29, 1920.) Temporary laborers in the customs service may be paid the prevailing wage of the port for the same class of labor but not more than 80 cents an hour. Credits for amounts in excess of $2.50 a day paid since July 1, 1919, are to be allowed in the accounts of customs officers. The act remains in force until December 31, 1920. (Public 164, 66th Congress, 2d session. In effect, March 24, 1920.) The law requiring payment of overtime for night work by customs employees is made to apply specifically to the period between 5 P.M. and 8 A.M. It is extended to work in receiving or delivering cargo from the wharf and to handling of passengers' baggage. The rate is to be one-half day's pay for each two hours or fraction of at least one hour, but not more than two and one-half days' pay per night, and two days' pay for Sundays and holidays. The overtime is to be paid if officers or employees are ordered to report and do so even if no work is provided. The collector of customs may change the hours to comply with the custom of the port but may not increase length of the day. (Public 131, 66th Congress, 2d session. In effect, February 7, 1920.)

2. PRIVATE EMPLOYMENT

Massachusetts.—Minimum wage board is empowered to take the initiative in reconvening or establishing anew any wage board if it believes it necessary to meet changes in the cost of living. (C. 387. In effect, July 29, 1920.) Employers and employees must each nominate at least twice as many names as the minimum wage commission announces as their respective quota of representatives on any wage board. If fewer are nominated the commission need appoint only half of the nominees and may choose the rest independently. (C. 48. In effect, May 20, 1920.)

Nebraska.—Constitution is amended to permit enactment of minimum wage laws for women and children. (Art. 14. In effect, January 1, 1921.)

HOURS

1. MAXIMUM HOURS

(1) Public Work

Ohio—All cities which have not adopted eight-hour regulations for their fire departments must adopt the two-platoon system, limiting each platoon to twenty-four hours. (H. B. 153. In effect, February 18, 1920.)

South Carolina.—The city of Greenville is exempted from the law of 1919 limiting firemen's hours to twelve a day or forty-eight a week. (No. 407. In effect, February 26, 1920.)

(2) Private Employment

Kentucky.—Children between fourteen and sixteen who have employment certificates but who have not completed the eighth grade must attend a continuation school for from four to eight hours a week between 8 A.M. and 5 P.M. but not on Saturday afternoon or Sunday. (C. 43. In effect, June 16, 1920.)

Nebraska—Constitution is amended to permit enactment of laws regulating hours of women and children. (Art. 14. In effect, January 1, 1920.)

New Jersey.—Employers in manufacturing or mercantile establishments or in bakeries, laundries, and restaurants who fail to post the required notices or to keep records of hours of work are penalized. There is no longer a minimum fine. (C. 236. In effect, April 20, 1920.)

New York.—Law regulating the hours of women on street and elevated railroads no longer applies to ticket choppers and sellers. (C. 284. In effect, April 21, 1920.)

Virginia.—Hours which children are permitted to work in factories, workshops, mines, mercantile establishments, laundries, bakeries, and brick or lumber yards are reduced from ten to eight a day. Whereas, employment of children was formerly forbidden between 7. P.M. and 6 A.M., it is now prohibited between 9 P.M. and 7 A. M. Children between twelve and fourteen may work in vegetable and fruit factories eight hours a day when the schools are not in session, or may run errands or deliver parcels. (C. 507. In effect, June 18, 1920.)

2. REST PERIODS

(1) Public Work

Maryland.—The new state employment commissioner is to make rules for granting annual, special and sick leaves to state employees. Leaves with pay may not exceed thirty days in one calendar year except for disability incurred in the performance of duty. (C. 41. In effect, October 1, 1920.) Elected public officials must give their employees fifteen days' leave with pay in each calendar year. (C. 179. In effect, June 1, 1920.)

Massachusetts.—Persons "regularly employed" in the labor service of cities and towns and consequently entitled to vacations with pay are defined as those who have worked for the city or town for thirty-two weeks during the preceding calendar year. (C. 143. In effect, June 16, 1920.) Policemen in cities and towns outside of Boston and the metropolitan district commission are to be given one day off in eight instead of in fifteen. (C. 166. In effect, as to any city or town when accepted by its voters.)

New York.—Annual vacations for per diem employees of New York City are lengthened from two to three weeks. (C. 349. In effect, April 27, 1920.)

Virginia.—State employees who work seven days a week must be relieved for at least two Sundays in each calendar month. (C. 251. In effect, June 18, 1920.)

United States.—The act reclassifying postal employees contains provision for fifteen days' leave annually and sick pay for ten days a year, but not more than thirty days' sick leave in any three consecutive years. Payment of overtime for work on Sundays and holidays in place of granting compensatory time is forbidden as to employees in first and second class post-offices and clerks at terminal railway post-office stations and transfer offices. (Public 265, 66th Congress, 2d session. In effect, June 5, 1920.) Day laborers of the District of Columbia who have been employed fifteen days are again granted legal holidays. (Public 245, 66th Congress, 2d session. In effect, July 5, 1920.) For amendment to law requiring overtime pay for night work in the customs service, see "Minimum Wage," p. 181.

EMPLOYMENT

1. PRIVATE EMPLOYMENT OFFICES

Georgia.—Every private employment agency, whether fee-charging or conducted for profit or not, is placed under the supervision of the department of commerce and labor and required to procure a license, make reports and give a $500 bond. Everyone who solicits labor to be employed outside the state is now classed as an emigrant agent and required to give a $1,000 bond and obtain a license. Emigrant agents must report daily instead of monthly. Persons desiring labor for their own use outside the state must notify the commissioner of commerce and labor of the number needed, whence and where it is to be transported, and the wages to be paid. If satisfied that the applicant desires the labor for his sole use the commissioner may issue a permit for its removal if in his judgment the labor can be spared from the section whence it is sought. Persons failing to apply may be prosecuted as emigrant agents. (P. 118. In effect, August 17, 1920.) All persons who solicit labor to be employed outside the state are included as emigrant agents and as such subjected to the penalty for failure to obtain licenses. (P. 87. In effect, August 16, 1920.)

2. PUBLIC EMPLOYMENT OFFICES

Kansas—A free employment bureau for men, women and juniors is created in the department of labor and industry, under an assistant labor commissioner at $2,000. The bureau is to maintain not more than four offices outside of Topeka, but between July 1 and August 15 there may be additional offices to distribute labor for the wheat harvest. For the year ending June 30, 1920, $10,000 is appropriated and $25,000 for the following year. (C. 62. In effect, January 25, 1920.)

Massachusetts.—Unexpended balance of the $9,000 appropriated last year for the use of the soldiers' and sailors' commission in finding employment for returned soldiers, sailors and marines is reappropriated for their use. (C. 621. In effect, June 4, 1920.)

New Jersey.—Appropriation for the farm labor and state employment bureaus is raised from $25,000 to $30,000. (C. 353. In effect, July 1, 1920.)

South Dakota.—A state employment service is created under the direction of the state immigration commissioner, who is authorized to appoint agents to conduct employment offices throughout the state. No fees are to be charged and anyone in the employment service who accepts a gratuity is guilty of a midemeanor. Maximum penalty, $100, or imprisonment, or both. Any employer or worker may file a signed statement that there is a strike or lockout in their trade which will be posted in the employment office with any answer the opposing side chooses to make. The commissioner is authorized to aid in the enforcement of just wage claims and to protect workers against fraud, extortion, exploitation or other improper practice. To carry out the act $5,000 is appropriated, 5 per cent of which may be used for advertising the employment service. (C. 54. In effect, July 3, 1920.)

United States.—The appropriation for the employment service is reduced from $400,000 to $225,000 and the proviso added that $25,000 or less be used to perfect an organization to mobilize and direct the workers required to harvest the wheat crop. (Public 246, 66th Congress, 2d session. In effect, June 5, 1920.)

3. MISCELLANEOUS

United States—For law penalizing giving or accepting remuneration for procuring employment for seamen, see "Individual Bargaining," p. 175.

SAFETY AND HEALTH

1. PROHIBITION

(1) Exclusion of Persons

Maryland.—Law permitting the issuance of temporary work permits to boys over fourteen who are mentally incapable of further advancement in school is amended to apply to both boys and girls. (C. 434. In effect, June 1, 1920.) Minors in travelling theatricals holding work permits from other states may appear in Baltimore for one week. (C. 667. In effect, June 1, 1920.)

Massachusetts.—Minors under sixteen are forbidden to clean or repair a freight elevator. Maximum penalty, $100. (C. 298. In effect, July 8, 1920.)

Virginia.—Child labor law is amended to permit children over twelve to work in canneries when schools are not in session (de-

spite the federal law taxing anyone who employs children under fourteen). (C. 390. In effect, June 18, 1920.)

2. REGULATION

(1) Factories, Workshops, and Mercantile Establishments

Kentucky.—In addition to other requirements for a child labor certificate the certificate of a doctor or health officer is required to the effect that the child is fourteen years old, normally developed, in good health and physically fit for the employment sought. Only children under sixteen need apply in person accompanied by a parent, guardian or custodian. (C. 152. In effect, June 16, 1920.) The auditor of public accounts is directed to call to his aid individuals or committees of industrial, labor or other organizations to formulate fire safety regulations. (C. 16. In effect, June 16, 1920.)

Nebraska.—Constitution is amended to permit enactment of laws regulating conditions of employment of women and children. (Art. 14. In effect, January 1, 1920.)

New Jersey.—Department of labor is authorized to establish an industrial safety museum. The administrative committee is to include the commissioner of labor, representatives of a chamber of commerce, labor, the manufacturers and several insurance companies. All except the director are to serve without salary. (C. 334. In effect, April 21, 1920.) An appropriation of $25,000 for the industrial safety museum is authorized. (C. 335. In effect, July 4, 1920.)

New York.—Provision for periodic physical examination of children between fourteen and sixteen employed in factories is extended to children employed in mercantile establishments. (C. 601. In effect, July 1, 1920.)

Oregon.—Employers are required to furnish safe employment, safe places of employment and reasonably necessary safety devices. No employer, owner or lessee may construct or maintain an unsafe place of employment. Employees are forbidden to remove or interfere with the use of any safeguards. Industrial accident commission is given power to make rules and regulations, and after hearing to prescribe safety devices and fix standards for their use, to fix standards for places of employment, to investigate work places and to order changes necessary to render such places of

employment safe. Persons aggrieved may apply for a rehearing and may further appeal to the circuit court. The commission may appoint advisers to assist in establishing safety standards and may also arrange for lectures on the prevention of industrial accidents and occupational disease. Anyone violating the act is guilty of a misdemeanor and each day's violation is a separate offense. Maximum penalty, $100, or six months' imprisonment, or both. It is made the duty of the commissioner of labor statistics and inspector of factories and workshops to enforce the act. (C. 48. In effect, April 17, 1920.)

Rhode Island.—Duty of providing water-closets is transferred from the owner, agent or lessee of any factory, manufacturing and mercantile establishment to the owner of the building in which such establishments are situated. (C. 1907. In effect, April 26, 1920.)

(2) Mines

Kansas.—To establish a mine rescue station in Crawford County $12,000 is appropriated. (C. 4. In effect, February 3, 1920.)

Kentucky.—Upon application of 30 per cent of the employees of a coal mine, steel mill, foundry, machine shop or other like business, employing as many as thirty persons, in which employees become so dirty that to remain so after leaving work will endanger health or be offensive to the public, the employer must within six months provide a suitable heated wash-room with lockers. However, adjacent plants may provide joint wash-houses, and employers are exempted if the expense of obtaining water is prohibitive or if their mine may be worked out within two years of the employees' application. State and assistant state inspectors are to inspect places required to be provided with wash-rooms and report to the owner or operator on the sanitary and physical conditions found. Failure to comply is a misdemeanor. Maximum penalty, $100, increased $100 for each day of subsequent offense. (C. 20. In effect, June 16, 1920.)

Ohio.—Industrial commission is to provide and maintain at state expense five mine rescue stations with specified equipment. Each station is to be in charge of a superintendent who is to receive expenses and a salary equal to that of the district mine inspectors. He is to devote his whole time to the work including the teaching and training of first aid and rescue crews. (H. B. 725. In effect, February 18, 1920.)

(3) Transportation

New York.—Railroads are given until July 1, 1921, to comply with the law requiring caboose cars to be safely built and properly equipped. (C. 430. In effect, May 3, 1920.)

North Dakota.—Shelter which railroads are required to provide for their employees engaged in construction or repair work must be installed by October 1, 1920. (C. 48. In effect, December 8, 1919.)

Virginia.—Corporation commission is empowered after hearings to require those employing men in the construction or heavy repair of railroad cars and car trucks or similar equipment to maintain buildings to protect their employees against inclement weather. If such sheds are deemed necessary the commission can require no more than 10 per cent in any one year. Maximum penalty for each day's failure to comply, $25. (C. 281. In effect, June 18, 1920.)

(4) Miscellaneous Industries

Maryland.—A board of boiler rules is established consisting of chairman of the state board of labor and statistics, attorney general and chairman of the state accident commission. Board is to formulate rules and regulations conforming as nearly as possible to the boiler code of the American Society of Mechanical Engineers for the construction, installation and maintenance of boilers of over fifteen pounds pressure. To defray part of the expense the board may charge inspection fees. The rules of the board will be binding on manufacturers and other users of boilers January 1, 1921. Their infraction is made a misdemeanor. Penalty, $25-$500, or imprisonment for from thirty days to two years, or both. (C. 676. In effect, June 1, 1920.)

United States.—For establishment of woman's bureau, see "Administration," p. 205.

SOCIAL INSURANCE

1. INDUSTRIAL ACCIDENT INSURANCE

(1) Employers' Liability

Mississippi.—Heirs of a person killed by the wrongful act or default of a ship or vessel may recover in all cases in which the

person injured would have been entitled to recover damages if not killed by the injury. (C. 234. In effect, March 27, 1920.)

United States.—If death is caused by a wrongful act, neglect or default on the high seas the personal representative of the deceased may within two years sue the vessel or person who would have been liable if death had not resulted and in such actions the doctrine of comparative negligence is substituted for contributory negligence. Similar rights are given to the personal representative if death occurs during pendency of a damage suit and any rights given by the law of a foreign state may be pursued in our admiralty courts. (Public 165, 66th Congress, 2d session. In effect, March 30, 1920.) Injured seamen, or in case of death, their personal representatives, are given the right to sue for damages with jury trial. In such actions all laws modifying or extending the common law right or remedy in cases of personal injury or death to railway employees shall apply. (Public 261, 66th Congress, 2d session. In effect, June 5, 1920.)

(2) Workmen's Compensation

a. New Acts

Georgia.—A workmen's compensation law is enacted, compulsory as to public and elective as to all private employments where more than five are engaged except common carriers in interstate commerce, common carriers by steam in intrastate commerce, farm, domestic or casual labor or charitable institutions. It provides compensation for accidental industrial injuries not due to the employee's willful misconduct, intoxication or willful violation of safety laws or safety rules approved by the commission and not caused by the willful act of a third party for reasons personal to the employee or because of his employment. For the first thirty days after an accident the employer must provide necessary medical care not exceeding $100. No cash compensation is to be paid for the first fourteen days unless incapacity lasts longer than four weeks, in which case compensation is to be paid from the date of injury. Compensation for total disability is one-half of wages, but not less than $6 nor more than $12 a week for 350 weeks. For temporary partial disability one-half of the wage loss but not more than $12 a week, is payable for not more than 300 weeks. There is a schedule of permanent injuries for which compensation, in lieu of that pro-

vided for temporary disability is provided for periods roughly proportioned to the degree of injury. If a second injury occurs to a previously disabled workman, he will be entitled to compensation for only the degree of incapacity which would have resulted if the earlier injury had not existed. In case of death total dependents are to receive one-half of wages but not less than $5 or more than $10 a week for 300 weeks, and partial dependents proportionately less. The employer must pay for burial not exceeding $100. In no case is an employee or his beneficiaries entitled to more than $4,000, and if a deceased employee leaves no dependents residing in or citizens of the United States or Canada, compensation will be limited to $1,000. An industrial commission consisting of the commissioner of commerce and labor as chairman, the attorney general, and one representative each of employers and labor appointed by the governor for four years at $4,000, is to administer the act. The commission may appoint a secretary-treasurer at $2,000 a year, and temporary deputies. Each employer must insure in a mutual or other insurance company unless he can satisfy the commission of his financial ability to carry his own liability for compensation. Penalty for failure to insure, $10-$100, and after conviction, $1-$10 for each day's delay. Basic insurance rates and plans for merit or experience rating must be approved by the insurance commissioner. Insurance carriers are to be taxed 1 per cent of their earned premiums to defray the expenses of the industrial commission. Employees must give notice of injuries within thirty days. Employers must report to the commission within ten days all injuries requiring medical or surgical treatment or causing absence from work for more than fourteen days. Maximum penalty, $25. When fourteen days have elapsed after injury the employer and employee may enter into an agreement for payment of compensation which agreement becomes binding when approved by the commission. If an agreement is not reached the employee must file his claim with the commission within one year and the commission shall hear the dispute and make an award binding as to questions of fact. Awards may be reviewed within seven days or appealed within thirty days to the superior court on certain grounds, and further appeal may be taken to the court of appeals. (P. 167. In effect, as to creation of commission, October 1, 1920, as to remainder of act, March 1, 1921.)

b. Acts Supplementary to Existing Laws

Kentucky.—Maximum weekly compensation is increased from $12 to $15 and maximum total compensation for total disability from $5,000 to $6,000. Board is permitted to allow an extension of medical service up to a limit of $200. Allowance for traveling expenses of the board and its employees is increased from $3 to $5 a day. Salaries of stenographic, clerical and other employees of the board are increased. The tax upon insurance carriers to defray administration expenses is decreased from 4 to .2 per cent of premiums and the provision is added than when the maintenance fund has a surplus of $60,000 the taxes so collected for the ensuing year shall revert to the state treasury. (C. 37. In effect, June 16, 1920.)

Louisiana.—Scale of compensation is increased from 55 to 60 per cent of wages, and weekly maximum is raised from $16 to $18. Insurance is made compulsory in a company approved by the secretary of state, unless the employer furnishes satisfactory bond or satisfies the secretary of his financial ability to pay compensation direct. If an employer settles for a lump sum at a discount greater than 6 per cent a year he is penalized to the extent of three times the compensation. (No. 247. In effect, August 16, 1920.) The act is extended to railway and steamboat employees not covered by the federal liability act. (No. 244. In effect, August 16, 1920.) Employees are given the option of suing in the parish where the injury occurs, instead of where the employer is domiciled. (No. 234. In effect, August 6, 1920.)

Maryland.—Waiting period before compensation is payable is reduced from two weeks to three days. Allowance for medical care is increased from $150 to $300 and may include artificial members. Scale of compensation has been increased from 50 to 66 2/3 per cent in all except cases of temporary partial disability and unlisted cases of permanent partial disability. Compensation for partial disability is made additional to compensation for temporary total disability. Compensation is provided for loss of hearing and unlisted mutilations and disfigurement. Correction of vision by lenses cannot be considered in computing loss of vision. Maximum allowable for permanent partial disability is increased from $3,000 to $3,750 and there is now a weekly minimum. In total disability cases, loss of use of members is made equivalent to their loss. Maxi-

mum and minimum weekly payments have been raised from $12 and $5 to $18 and $8 respectively and now apply to death benefits as well as others. For partial dependents, however, there is no weekly minimum. Maximum payable to total dependents is increased from $4,250 to $5,000. Funeral benefit is raised from $75 to $125. The time within which death must occur after an accident to entitle dependents to compensation is extended from two to three years. Death claims must be presented within one year, but even though a disability claim is not filed within the required thirty days the presumption is that the employer was not prejudiced. If a worker receiving partial disability compensation dies, his personal representative can collect the compensation still due, but if the dependent beneficiary of a deceased employee dies, those surviving dependents whom the commission designates may receive any compensation still due. If a dependent widow remarries, one year's compensation will be paid her. A beneficiary must move out of the United States, instead of out of the state, to permit a commutation of compensation. The act is extended to "all work of an extra-hazardous nature" and employers and workmen in the classes excluded from the act may elect to come under. The term "child" has been extended to include step-children, illegitimate children and other children who were members of the deceased worker's household when the accident or death occurred and to whose support he had contributed at any time during the previous six months. If an injury is caused by a third party and compensation is claimed, the insurer as well as the employer has the right to recover damages. If the employer or insurer does not sue within two months after the award the worker may sue, but, if he recovers, must, after deducting costs, repay any compensation received. Commission may declare dividends to state fund policy-holders and may change rates within any year if a reclassification necessitates it. Commission is given power to require any employer to change his form of insurance or to insure in the state fund if the employer fails to provide satisfactory insurance or show sufficient financial strength. In passing upon any plan for insurance the commission is to consider the reputation of the insurance company for promptness and fairness and the relative influence which the different methods of insurance might have upon the employer and his workers for accident prevention. Insurance commissioner may revoke the license of any insurance company which disobeys certain regulations and the industrial ac-

cident commission may similarily revoke permission to self-insure. Allowance for administrative expenses is increased from $60,000 to $80,000. (C. 456. In effect, June 1, 1920.) For increased appropriation for industrial accident commission, see "Administration," p. 203.

Massachusetts.—Failure to give notice of injury or to file a claim within the prescribed period will not bar recovery under the workmen's compensation act if it is found that the insurer was not prejudiced in consequence. (C. 223. In effect, June 28, 1920.) Industrial accident board may order the insurer to provide an injured employee with an artificial eye or limb, or other mechanical appliance if the board believes it will promote the employee's restoration to industry. (C. 324. In effect, July 14, 1920.)

New York.—Workmen's compensation law is extended to include a limited number of occupational diseases. (C. 538. In effect, May 5, 1920.) Village policemen are covered. (C. 536. In effect, May 5, 1920.) Maximum and minimum weekly compensation is raised from $15 and $5 to $20 and $8, and the maximum basis for computing death benefits is increased from $100 to $125 a month. Loss of binocular vision or loss of 80 per cent vision of an eye is made equivalent to the loss of an eye. (C. 532. In effect, May 5 1920.) Compensation is now given for partial loss of use of a thumb, finger, toe or phalange. (C. 533. In effect, May 5, 1920.) Persons to whom awards become payable, if the person receiving compensation dies, are specified. (C. 534. In effect, May 5, 1920.) Compensation awards are given the status of wage liens against insurance carriers as well as against employers. (C. 527. In effect, July 1, 1920.) Interest is to be allowed on compensation awards not only when affirmed on appeal, but also when an appeal is withdrawn. (C. 281. In effect, April 19, 1920.) State insurance fund is empowered to pay, directly out of premium income, expenses of administration in addition to the amount appropriated, but not more than $25,000 may be so used. (C. 530. In effect, July 1, 1920.) It is made a misdemeanor to receive a fee or gratuity for services to a compensation claimant without the commission's approval, to solicit the business of appearing for claimants or to solicit employment for a compensation lawyer. (C. 529. In effect, May 5, 1920.) For new deputy workmen's compensation commissioner, see "Administration," p. 204. For creation of main-

tenance fund for those undergoing rehabilitation, see "Vocational Rehabilitation," p. 197.

North Dakota.—Membership of the workmen's compensation bureau is increased from three to five. The commissioner of insurance is included, and of the three appointive members one must represent employers, one labor and one the public. (C. 73. In effect, July 1, 1920.)

Ohio.—If an employer fails to pay workmen's compensation insurance premiums or execute a bond, the court may appoint a receiver for his property and business who shall pay the premiums determined to be due to the state insurance fund. It is made the duty of each member of a firm, and of the president, secretary, general manager or managing agent of each corporation to cause their firm or corporation to pay premiums due the state fund. Failure to do so is made a misdemeanor. Maximum penalty, $500 and costs. Each day's refusal is made a separate offense. (S. B. 208. In effect, February 9, 1920.)

Oregon.—Compensation benefits accruing between December 1, 1919, and June 30, 1921, are to be increased 30 per cent. (C. 5. In effect, January 17, 1920.)

Porto Rico.—The workmen's relief commission is again reorganized. The governor, with the approval of the Senate, is to appoint a chairman, at a salary of $3,500, and three other commissioners, one from each of the three political parties, who are to receive $10 for each day given to work of the commission. The fifth member is to be chief of the bureau of labor. The chairman may pass upon temporary disability cases and report such decisions to the commission which may reconsider them. Cases of death, total disability or permanent partial disability must come before the commission. The commission instead of the department of agriculture and labor is to direct the work of investigating accidents, but may utilize the machinery of the bureau of labor. If an accident happens to the employee of an employer who has failed to insure, the treasurer of Porto Rico may attach the employer's property to secure payment of compensation. When a petition for compensation is filed by the supposed heirs of a deceased workman the commission is to refer the petition to the attorney-general to obtain a declaration of heirs by the proper district court. (No. 1. In effect, May 6, 1920.)

Rhode Island.—Scope of the workmen's compensation law is extended from employees earning not more than $1,800 a year to those earning not more than $3,000 a year. (C. 1900. In effect, April 23, 1920.)

South Dakota.—Insurance commissioner is authorized to regulate workmen's compensation insurance premiums. (C. 66. In effect, September 7, 1920.)

Virginia.—Maximum weekly compensation is raised from $10 to $12 and the highest total compensation payable is raised from $4,000 to $4,500. Waiting period is reduced from fourteen to ten days, and is eliminated entirely if incapacity lasts more than six weeks. Period during which medical care must be provided is increased from thirty to sixty days. Provision is made for compensating for loss of use of a member, or for partial loss, or loss of use, of a member or eye. Agreements may be entered into any time after ten instead of fourteen days after injury. Where an employee is injured by a third party and files a claim, the employer or insurance company becomes subrogated to any rights he may have had against the third party. Commission and its deputies are authorized to compel attendance of witnesses and production of records instead of being dependent upon the court for this function. Insurance companies are permitted to modify rates in accordance with merit and experience rating schedules. Tax upon insurance premiums to pay expenses of administration is reduced from 4 to 3 per cent. Salaries of commissioners are raised from $3,600 to $4,000 a year, and the secretary's salary is increased from $2,000 to $3,000. (C. 176. In effect, July 1, 1920.)

United States—Duties of commissioners of military and naval insurance and of marine and seamen's insurance are transferred to the director of the bureau of war risk insurance and his salary is increased to $7,500. Throughout the war risk act the terms "father" and "mother" are broadened to include persons who for a year prior to the man's enlistment have stood "in loco parentis" to him. "Brother" and "sister" include children of such persons. All legally adopted children are now included. Illegitimate children need not be born in the United States and may be included if the parent has been judicially decreed to be the putative father. The director of war risk insurance is given charge of disbursing any benefits due to insane persons. The time during which family allowances are payable is extended from one to four months after the end of the

war. The compensation and insurance provisions are made retroactive to April 6, 1917. Persons who die or become disabled in line of duty and not from moral turpitude, after being drafted but before enrollment are eligible to compensation. Persons are to be considered as in sound condition when enrolled. In revising the scale of compensation a distinction is made between temporary and permanent total disability. The compensation for temporary total disability is raised by amounts ranging from $25 to $50 a month, and provision for either a dependent father or mother is included. The definition of permanent total disability is broadened and provision made for compensating double permanent total disability at $200 a month. The allowance for a nurse or attendant is made additional in all cases. Wheeled chairs may be provided, if necessary. Medical, surgical and hospital supplies and appliances and transportation may be furnished to discharged allied soldiers and sailors on such terms as the director of war risk insurance prescribes, and the director is authorized to arrange to utilize similar facilities of allied governments for our disabled men. The permitted class of beneficiaries of war risk insurance is enlarged. Beneficiaries may transfer their interest in insurance to any other of the permitted class of beneficiaries. (Public 104, 66th Congress, 2d session. In effect, December 24, 1919.)

c. Vocational Rehabilitation

Alabama.—Federal act for vocational rehabilitation of industrial cripples is accepted.

Georgia.—Provisions of federal vocational rehabilitation act are accepted and the state board for vocational education designated as administrator. (P. 279. In effect, August 16, 1920.)

Massachusetts—Chairman of the industrial accident board, commissioner of labor and industries and commissioner of education are constituted a commission to consider and report on the advisability of extending the work of the industrial accident board to provide industrial training and aid by mechanical appliances for industrial cripples. Commission is allowed necessary expenses. (C. 70. In effect, August 24, 1920.)

New Jersey.—Federal act for vocational rehabilitation of industrial cripples is accepted. State board of education is directed to cooperate with the federal board for vocational education in administering the act. The state board and the commission for rehabilitation of physically handicapped persons are to make plans subject to the governor's approval for cooperation with each other

and with the workmen's compensation bureau. State treasurer is made custodian of all money received under the federal act. (C. 359. In effect, September 17, 1920.) Appropriation for the rehabilitation commission is increased from $55,000 to $75,000. (C. 353. In effect, July 1, 1920.)

New York.—Opportunity for rehabilitation is offered to "any person who, by reason of a physical defect or infirmity, whether congenital or acquired by accident, injury or disease, is or may be expected to be totally or partially incapacitated for remunerative occupation." The work is shared by the department of education, the industrial commission and the department of health, representatives of which form an advisory commission to supervise the work of rehabilitation. Among other functions the advisory commission will arrange for therapeutic treatment, provide maintenance not exceeding $10 a week for twenty weeks to those undergoing retraining, secure the cooperation of the public employment service and act in a liason capacity between the three departments entrusted with administration of the act. Both the industrial commission and the health department are to report to the department of education all cases needing rehabilitation. The former is also to make physical examinations of applicants. Responsibility for passing upon candidates, arranging for courses of training, furnishing prosthetic appliances at cost, and aiding persons retrained to find employment, is placed upon the department of education. The federal offer of financial assistance is accepted and $75,000 appropriated by the state. To defray maintenance expenses of those whose disabilities have been caused by industrial injuries the workmen's compensation law is amended to require the insurance carrier to pay $900 into a special maintenance fund for every case of death in which there are no dependents entitled to compensation. (C. 760. In effect, May 13, 1920.)

North Carolina.—Federal act for vocational rehabilitation in industrial cripples is accepted.

Oregon.—Industrial accident commission is authorized to arrange for the rehabilitation of those injured by accident "while working under the protection of the workmen's compensation law." For this purpose $100,000 and 2½ per cent of the monthly receipts is set aside from the industrial accident fund. School boards maintaining vocational instructors and schools for the blind must furnish to persons designated by the commission such vocational in-

struction as is provided for other pupils and be paid therefor by the commission. (C. 6. In effect, January 17, 1920.) The law of 1919 appropriating $400,000 from the industrial accident fund to construct a reconstruction hospital is repealed. (C. 4. In effect, January 16, 1920.)

Virginia.—A division for vocational rehabilitation is established under the industrial commission to arrange with suitable institutions for the retraining of injured employees without sufficient means to provide for their own rehabilitation. Re-educational courses are limited to one year, unless six months additional is allowed on special recommendation and approval by the governor. If after retraining the employee is enabled to earn 50 per cent of his former wage his compensation, except the allowance for specific dismemberment, is to be reduced proportionately. The act accepts the federal grant for rehabilitation and appropriates $10,000 for the work. (C. 392. In effect, June 18, 1920.)

United States.—In order to promote the vocational rehabilitation of persons disabled in industry or in any legitimate occupation the federal board for vocational education is authorized to allot $750,000 this year and $1,000,000 for the next two years among the states in proportion to population on condition that each state appropriate an equal amount for vocational rehabilitation. To qualify for its allotment each state must accept this act, empower its state board for vocational education to cooperate with the federal board, arrange for cooperation between its state board and its workmen's compensation commission, provide for courses of vocational rehabilitation, and appoint the state treasurer as custodian of funds. Each state board for vocational rehabilitation must submit its plans to the federal board for approval, open their courses to disabled federal employees and report annually. To enable the federal board to make studies regarding the rehabilitation and replacement in industry of disabled persons, $75,000 is appropriated annually for four years. (Public 236, 66th Congress, 2d session. In effect, June 2, 1920.) The maintenance allowance for disabled soldiers and sailors while undergoing retraining courses is increased from $80 to $100 a month for single men without dependents and from $100 to $120 for men with dependents, but it is to be paid only to trainees "residing where maintenance and support is above the average and comparatively high." (Public 264, 66th Congress, 2d session. In effect, June 5. 1920.)

d. Commissions

North Carolina.—A commission composed of three members of the house and two senators is authorized to investigate and report on the desirability of a workmen's compensation act. (Res. 7. In effect, August 25, 1920.)

2. OLD AGE PENSIONS

Massachusetts.—Minimum retirement payment for state employees is increased from $200 to $300 a year. Period to be used in computing the average salary on which to base the maximum is decreased from ten to five years. (C. 539. In effect, August 24, 1920.) Employees who withdrew from the state service at any time after June 1, 1912, may, if re-employed within two years, be reinstated in the retirement association without loss of credit for prior service. (C. 535. In effect, August 25, 1920.) Members of the teachers' retirement fund who enter the state service or persons in the employ of a city, county or corporation which is taken over by the commonwealth may become members of the state employees' retirement association irrespective of age, but may not be employed after reaching the age of seventy. The time of such previous membership is to be counted in calculating their annuities. (C. 416. In effect, August 4, 1920.) Retirement allowances granted to employees of the commonwealth or its subdivisions, or of a corporation, firm, association or individual are subject to the state income tax unless exempted by law. (C. 102. In effect, January 1, 1921.) Amount contributed by counties toward the pensions of their employees based on subsequent service is increased 50 per cent. (C. 319. In effect, July 14, 1920.) Law providing pensions for laborers employed by Boston and other cities and towns is extended to foremen, inspectors, mechanics, draw tenders and storekeepers so employed, but their pension is limited to $400 a year. (C. 179. In effect, when accepted by the mayor and council in cities, or by the voters in towns.) City of Fall River must retire on half-pay laborers who have served for twenty years and reached the age of sixty-five. It may retire laborers who have served for twenty years and at the age of sixty are incapacitated or who have served for fifteen years and been physically or mentally incapacitated by an injury received in the performance of duty. (C. 163. In effect, upon acceptance by the voters of Fall River.) Janitors in the

service of Fall River, who have served twenty-five years and are sixty years old and incapacitated, may be retired on half-pay not exceeding $500 a year. (C. 136. In effect, if accepted by city council prior to December 31, 1920.) School janitors in Andover and North Andover, who have served twenty-five years and at the age of sixty are incapacitated, may be retired on half-pay not exceeding $500 a year. (C. 200. In effect, upon acceptance by the town voters.)

New Jersey.—Period for which county employees must have served to entitle them to retirement pensions is increased from twenty-five to forty years, but the age of retirement is lowered from seventy-nine to sixty-five years. (C. 60. In effect, July 4, 1920.) Municipal recorders who have served twenty-five years and reached the age of sixty may be retired on pensions of at least $600 a year. (C. 282. In effect, April 21, 1920.)

New York.—A retirement system is established for civil service employees of New York City not otherwise provided for. The employees are divided into three groups: laborers and unskilled workers; mechanics and skilled workers; and clerical, administrative, professional and technical workers. Employees must retire at the age of seventy and may retire at ages fifty-eight to sixty, according to group. The "service" retirement allowance for the respective groups will be one-sixty-sixth to one-seventieth of the average annual salary multiplied by the number of years of service. If an employee of at least ten years' standing becomes disabled before the retirement age he will be entitled to an "ordinary disability" retirement allowance of 10 per cent less than the service retirement allowance, but not less than one-quarter of his average annual salary unless he was more than forty when he entered the service. In case of an incapacitating accident, due to the employment, an employee may be retired on three-quarter pay plus the annuity purchasable with the employee's own contributions with interest. Upon death from ordinary causes a benefit will be paid equal to the compensation earnable in the six months preceding death, plus the employee's contributions with interest. If an accident, received in the performance of duty, causes death a benefit equal to half-pay, plus the employee's contributions with interest, will be paid to the widow, or children under eighteen, or dependent parents. Employees are to contribute one-half the cost of service retire-

ment benefits allowable on account of future services, but the cost of benefits allowable on account of past services will be defrayed by the city. All of the employees' contributions remain their property and are returnable in every instance, whether an employee leaves the service by resignation, dismissal, retirement, or death. The employees' contributions are to be deducted from the current payroll and at the same time the city is to make its equivalent contributions toward benefits allowable on account of future services. The liability which the city has incurred by assuming the cost of benefits allowable on account of past services is to be computed and 6 per cent of it contributed annually by the city until the liability is written off. (C. 427. In effect, May 3, 1920.) A retirement system is enacted for all state employees not already provided for. Membership is compulsory for persons entering the service after January 1, 1921, and continuing therein for six months, but voluntary for those in the service prior to that time. Employees may retire at the age of sixty and must retire at seventy. Upon retirement employees will receive annually an amount equal to one-seventieth of their average annual salary during the last five years of service multiplied by the number of years of service. It is planned that employees will eventually contribute one-half of the cost, but for the present the state is to bear the cost of pensions accruing for the prior service of those now employed. A person retiring may elect to take a lower pension and thus provide benefits for designated persons after his death. Benefits are also provided for employees who have served fifteen years and are disabled from further service. (C. 741. In effect, May 12, 1920.) Employees of state charitable institutions who have served twenty-five years, or who have reached seventy and have served fifteen years may be retired on such proportion of one-half salary as the number of years served bears to twenty-five years. The pension may not be more than $1,000 or less than $300, unless the employee has served only fifteen years. (C. 794. In effect, May 17, 1920.) Pensions provided for superannuated guards and employees of the state prisons and reformatories are no longer limited to $1,000 a year. (C. 425. In effect, May 3, 1920.) Time allowed the pension commission to make its report is extended to February 1, 1921. (C. 4. In effect, January 31, 1920.)

United States.—A plan for the retirement of superannuated employees in the classified civil service is adopted. The act includes,

as well as federal employees, regular annual employees of the District of Columbia, except school officers and teachers and members of the police and fire departments. Postmasters and members of the lighthouse service, already provided for, are excluded. Those who, ninety days after the act is passed, have served fifteen years and reached the age of seventy are eligible for retirement. For mechanics, city and rural letter carriers and post-office clerks the retirement age is sixty-five, and for railway postal clerks it is sixty-two. Any employee who has served fifteen years and who is found on examination to be totally disabled by any disease or injury not due to vicious habits, intemperance, or willful misconduct may also be retired. For computing annuities those retiring are divided on a basis of length of service into six groups. An employee in the sixth group, being one who has served from fifteen to eighteen years, is to receive an annuity equal to 30 per cent of his average salary for the preceding ten years, but not more than $360 or less than $180 a year. For the other groups, being those who have served longer periods, the annuity is increased for each three years of service to the credit of the employee till the maximum of 60 per cent of wages but not more than $720 or less than $360 is reached, which is payable to those who have served thirty years or more. Although the government bears the whole expense of annuities already accrued, in the future 2½ per cent is to be deducted from the salary of each employee to create a "civil-service retirement and disability fund." If an employee leaves the service or dies prematurely his contributions are to be refunded with interest. The act is to be administered by the commissioner of pensions under the secretary of the interior. The commissioner is to select three actuaries to report annually on the condition of the fund and make recommendations. For salaries and expenses $100,000 is appropriated. (Public 215, 66th Congress, 2d session. In effect, May 22, 1920.)

3. HEALTH INSURANCE AND GENERAL SOCIAL INSURANCE

Massachusetts.—A commission, consisting of the commissioner of public health, the commissioner of public welfare, and three appointees by the governor, one a physician and one a woman, is established to investigate the question of prenatal and postnatal

aid and care for mothers and their children. It is to report at the November special session. (C. 85. In effect, September 2, 1920.)

ADMINISTRATION

Georgia.—For establishment of industrial commission, see "Social Insurance," p. 190. For power of commissioner of commerce and labor to supervise emigrant and non-fee-charging private employment agencies, see "Employment," p. 184.

Kansas.—To establish a court of industrial relations there is appropriated for the years ending June 30, 1920, and 1921, respectively, $31,077 and $73,600 and unexpended balances of the appropriations for the public utilities commission. (C. 2. In effect, January 30, 1920.)

Kentucky.—For duty of state inspectors of labor and mines to inspect wash-rooms, see "Safety and Health," p. 187.

Louisiana—Salary of the commissioner of labor and industrial statistics is raised from $2,400 to $3,000 and salaries of the assistant commissioners and the secretary are increased from $1,500 to $1,800. Allowance for traveling and other expenses is raised from $2,000 to $6,000. (No. 144. In effect, July 31, 1920.)

Maryland.—Salary of the chairman of the bureau of labor and statistics is raised from $2,500 to $3,000. Other increases in salaries and allowances for expenses raise the appropriation for the bureau of labor and statistics from $43,834.35 to $51,790. (C. 487. In effect, June 1, 1920.) Salary of the chairman of the industrial accident commission is increased from $5,000 to $6,000. The secretary is raised from $2,500 to $3,000 and the superintendent of the state fund from $2,000 to $3,000. Other increases in salaries and allowances for expenses raise the appropriation for the industrial accident commission from $69,349 to $87,765. (C. 487. In effect, June 1, 1920.) For creation of board of boiler rules, see "Safety and Health," p. 188.

Massachusetts. For increase of allowance to experts employed by the board of conciliation and arbitration, see "Collective Bargaining," p. 179.

New Jersey.—Deputy workmen's compensation commissioners have been increased from three at $2,820 to four at $3,000. The salaries of the five chiefs of bureaus in the labor department have been increased from $2,500 to $3,100. Referee's salary is raised

from $2,340 to $3,000 and the allowance for other employees is increased from $105,300 to $115,000. (C. 353. In effect, July 1, 1920.) For increased appropriation for state employment bureaus, see "Employment," p. 184. For increased appropriation for rehabilitation, see "Social Insurance," p. 196. For duties of commissioner of labor in connection with safety museum, see "Safety and Health," p. 186.

New York.—An industrial codes bureau is established under the industrial commission. (C. 242. In effect, April 16, 1920.) Provision is made for an assistant deputy workmen's compensation commissioner at $5,000, to specialize in death claims. (C. 539. In effect, July 1, 1920.) Salaries of certain grades of factory inspectors are increased from $1,200, $1,500, $1,800, $2,000 and $2,500 to $1,500, $1,800, $2,100, $2,400 and $3,500 respectively. The first three grades of mercantile inspectors are given increases identical with the first three grades of factory inspectors and a fourth grade at $2,400 is added. Provisions as to the first four grades of factory inspectors are made to apply to safety inspectors for the state insurance fund. (C. 604. In effect, July 1, 1920.) Variations affecting the construction or alteration of buildings, exits therefrom, the installation of fixtures and apparatus, or the safeguarding of machinery and prevention of accidents, allowed by the industrial commission, must be published in the department bulletin, and, when the variation affects premises or conditions in New York City, in the New York *City Record* also. (C. 602. In effect, May 10, 1920.)

North Dakota.—The commissioner of agriculture and labor is to replace the state auditor on the emergency commission. (C. 34. In effect, July 1, 1920.) For enlargement of workmen's compensation bureau, see "Social Insurance," p. 194.

Ohio.—For duty of industrial commission to maintain state mine rescue stations, see "Safety and Health," p. 187.

Oregon.—Payment of factory inspection fees may hereafter be enforced by the labor commissioner or his deputy. If not paid within thirty days a penalty equal to the fee is to be added and considered a debt due the state. (C. 25. In effect, April 17, 1920.) For enforcement of safety law, see "Safety and Health," p. 186.

Rhode Island.—Office of deputy chief factory inspector is created at a salary of $2,500. Chief inspector's salary is raised

from $2,500 to $3,000 and salaries of the three other assistant inspectors are increased from $1,800 to $2,000. It is no longer required that the annual report contain the hours worked in factories. (C. 1849. In effect, April 14, 1920.) Salaries of the inspector of boilers and his deputy are increased from $1,800 and $1,200 to $2,300 and $1,700 respectively. (C. 1902. In effect, April 23, 1920.) Salary of the deputy commissioner of labor is raised from $1,800 to $2,300. (C. 1865. In effect, April 20, 1920.)

South Carolina—Appropriation act contains among the items allotted to the commissioner of agriculture, $4,200 for salaries of labor inspector and $1,800 for their traveling expenses. (No. 651. In effect, January 1, 1920.)

South Dakota.—For power of industrial commissioner to conciliate strikes, see "Collective Bargaining," p. 179. For authority of immigration commissioner to establish state employment service, see "Employment," p. 185.

Virginia.—Annual allowance for the bureau of labor is increased from $18,800 to approximately $30,000. Among other increases the commissioner's salary is raised from $2,500 to $3,000. The item of $2,200 for an assistant commissioner appears. Instead of one factory inspector at $1,500 there are noted one at $1,800 and two at $1,500. Likewise instead of two mine inspectors at $1,500, three at $1,800 are listed. (C. 144. In effect, March 10, 1920.)

United States.—A woman's bureau is established in the department of labor to investigate and report on matters pertaining to the welfare of women in industry. The bureau is also to formulate standards and policies to promote the welfare of wage-earning women, improve their working conditions, increase their efficiency and advance their opportunities for profitable employment. The director, a woman, is appointed by the president at $5,000. An assistant director at $3,500 is appointed by the secretary of labor. (Public 259, 66th Congress, 2d session. In effect, June 5, 1920.) The appropriation for investigations touching women in industry is $75,000 this year as compared with $40,000 last. (Public 246, 66th Congress, 2d session. In effect, June 5, 1920.)

II. TOPICAL INDEX BY STATES

THE labor laws enacted by the eleven states which held regular and those states which held special legislative sessions prior to October 1, 1920, and by North Dakota, Ohio and Virginia, which held deferred or special sessions too late in 1919 to be reviewed that year, together with the labor laws enacted by the Sixty-sixth Congress, second session, are indexed below in alphabetical order by states, with chapter and page references to the session law volumes. The figures in ordinary type inside the parentheses refer to pages in the session law volume; the figures in heavier type, outside the parentheses, refer to pages in this REVIEW.

ALABAMA

(Special session. Citation not yet available.)

Social Insurance: federal rehabilitation act accepted, p. **196.**

GEORGIA

(Page references not yet available.)

Employment: private employment agencies regulated (p. 118), p. **184;** emigrant employment agencies defined (p. 87), p. **184.**

Social Insurance: workmen's compensation law enacted (p. 167), p. **190;** provision for rehabilitation (p. 279), p. **196.**

Administration: industrial commission established (p. 167), p. **190;** commissioner of commerce and labor to supervise emigrant and non-fee-charging private employment agencies (p. 118), p. **184.**

KANSAS

(Special session.)

Miscellaneous Legislation: provision for organizing corporations to promote welfare of labor and industry (C. 24, p. 32), p. **174.**

Individual Bargaining: immigration restriction urged to improve industrial relations (C. 74, p. 100), p. **176.**

Collective Bargaining: court of industrial relations established (C. 29, p. 35), p. **177;** criminal syndicalism defined and punished (C. 37, p. 55), p. **178.**

Employment: free employment bureau established in department of labor and industry (C. 62, p. 90), p. **184.**

Safety and Health: appropriation for mine rescue station (C. 4, p. 5), p. **187.**

Administration: appropriation for court of industrial relations (C. 2, p. 2), p. **203.**

KENTUCKY

Miscellaneous Legislation: children's code commission established (C. 193, p. 725), p. **174.**

Hours: children's hours curtailed (C. 43, p. 191), p. **182.**

Safety and Health: child labor law amended (C. 152, p. 656), p. **186;** wash-rooms required in coal mines, steel mills, foundries and machine shops (C. 20, p. 104), p. **187;** committee on fire safety regulations (C. 16, p. 60), p. **186.**

Social Insurance: workmen's compensation law amended (C. 37, p. 163), p. **191.**

Administration: inspectors of labor and mines to inspect wash-rooms (C. 20, p. 104), p. **187.**

LOUISIANA

(Page references not yet available.)

Individual Bargaining: wage payments to discharged employees regulated (No. 150), p. **175.**

Social Insurance: workmen's compensation law generally amended (No. 247), p. **191;** railroad and steamboat employees not under federal

Safety and Health: constitutional amendment to permit regulation of conditions of employment of women and children (Art. 14), p. 186.

NEW JERSEY

Miscellaneous Legislation: corporations to provide for employee directors or for profit-sharing or social insurance plans (C. 175, p. 354), p. 175.

Individual Bargaining: lien law amended (C. 110, p. 243), p. 176.

Minimum Wage: wage increases for public employees (C. 10, p. 25; C. 100, p. 215), p. 180.

Hours: women's hour law amended (C. 236, p. 451), p. 182.

Employment: increased appropriation for employment bureaus (C. 353, p. 893), p. 184.

Safety and Health: industrial safety museum authorized (C. 334, p. 596; C. 335, p. 598), p. 186.

Social Insurance: appropriation for rehabilitation increased (C. 353, p. 920), p. 196; county employees' pension law amended (C. 60, p. 109), p. 200; pension law for municipal recorders enacted (C. 282, p. 508), p. 200.

Administration: salary increases in labor department (C. 353, p. 892), p. 203; increased appropriation for employment bureaus (C. 353, p. 893), p. 184; increased appropriation for rehabilitation (C. 353, p. 920), p. 196; labor department to establish safety museum (C. 334, p. 596), p. 186.

(Special session. Page references not yet available.)

Social Insurance: federal act for vocational rehabilitation of industrial cripples accepted (C. 359), p. 196.

NEW YORK

(Page references not yet available.)

Miscellaneous Legislation: labor laws to be recodified (C. R.), p. 175; child welfare commission established (C. 699), p. 175.

Individual Bargaining: women employees entitled to have women present during physical examination (C. 603), p. 176.

Collective Bargaining: appropriation for board to improve industrial relations (C. 894), p. 179.

Hours: ticket choppers and sellers on subway and elevated railways exempt from women's hour law (C. 284), p. 182; vacations for per diem city employees lengthened (C. 349), p. 183.

Safety and Health: physical examinations for children in mercantile establishments (C. 601), p. 186; time for complying with caboose car regulations extended (C. 430), p. 188.

Social Insurance: occupational disease compensated (C. 538), p. 193; village policemen covered (C. 536), p. 193; workmen's compensation law amended (C. 532, C. 533, C. 534, C. 527, C. 281, C. 530), p. 193; workmen's compensation runners prohibited (C. 529), p. 193; deputy workmen's compensation commissioner created (C. 539), p. 204; rehabilitation law enacted (C. 760), p. 197; retirement system for New York City employees (C. 427), p. 200; retirement system for state employees (C. 741), p. 200; pensions for employees of state charitable institutions (C. 794), p. 200; pensions for prison and reformatory employees increased (C. 425), p. 200; time of pension commission extended (C. 4), p. 200.

Administration: industrial codes bureau established (C. 242), p. 204; assistant deputy workmen's compensation commissioner created (C. 539), p. 204; salary increases for factory and mercantile inspectors (C. 604), p. 204; publication of variations (C. 602), p. 204.

NORTH CAROLINA

(Special session. Page reference not yet available.)

Social Insurance: commission to investigate workmen's compensation authorized (Res. 7), p. 199; federal vocational rehabilitation act accepted, p. 197.

VIRGINIA

Individual Bargaining: maximum wage for certain road laborers increased (C. 156, p. 224), p. **177.**

Hours: biweekly rest day for state employees (C. 251, p. 353), p. **183;** children's hours regulated (C. 507, p. 840), p. **182.**

Safety and Health: child labor law relaxed (C. 390, p. 579), p. **185;** necessity of sheltering railway car repairers to be considered (C. 281, p. 400), p. **188.**

Social Insurance: workmen's compensation act amended (C. 176, p. 256), p. **195;** rehabilitation law enacted (C. 392, p. 583), p. **198.**

Administration: increased appropriation for bureau of labor (C. 144, p. 124), p. **205.**

(Special session, 1919.)

Individual Bargaining: maximum wage for certain road laborers increased (C. 86, p. 134), p. **176.**

Collective Bargaining: anti-trust law not to prohibit labor unions (C. 54, p. 82), p. **177.**

Minimum Wage: wage increases for state employees (C. 88, p. 147), p. **181.**

UNITED STATES

Individual Bargaining: seamen's act amended (Public 261, 66th Cong., 2nd sess.), p. **175;** use of "stop-watch" forbidden (Public 214, 243 and 251, 66th Cong., 2nd sess.), p. **177.**

Collective Bargaining: District of Columbia policemen and firemen forbidden to join labor unions (Public 94 and 124, 66th Cong., 2nd sess.), p. **177;** railroad labor board established (Public 152, 66th Cong., 2nd sess.), p. **179.**

Minimum Wage: salaries of certain federal employees increased (Public 231, 66th Cong., 2nd sess.), p. **181;** overtime pay for customs employees regulated (Public 131, 66th Cong., 2nd sess.), p. **181;** day laborers in the customs service allowed prevailing wages (Public 164, 66th Cong., 2nd sess.), p. **181.**

Hours: hours of customs employees regulated (Public 131, 66th Cong., 2nd sess.), p. **181;** rest periods for postal employees regulated (Public 265, 66th Cong., 2nd sess.), p. **183;** day laborers of the District of Columbia allowed legal holidays (Public 245, 66th Cong., 2nd sess.), p. **183.**

Employment: appropriation for employment service reduced (Public 246, 66th Cong., 2nd sess.), p. **185;** remuneration for procuring employment for seamen penalized (Public 261, 66th Cong., 2nd sess.), p. **175.**

Safety and Health: women's bureau established in department of labor (Public 259, 66th Cong., 2nd sess.), p. **205;** appropriation to investigate conditions of women in industry (Public 246, 66th Cong., 2nd sess.), p. **205.**

Social Insurance: seamen given same rights as railroad employees under federal employers' liability law (Public 261, 66th Cong., 2nd sess.), p. **189;** liability imposed for death on high seas regulated (Public 165, 66th Cong., 2nd sess.), p. **189;** war risk insurance act generally amended (Public 104, 66th Cong., 2nd sess.), p. **195;** law for vocational rehabilitation of industrial cripples enacted (Public 236, 66th Cong., 2nd sess.), p. **198;** rehabilitation maintenance allowance for soldiers and sailors increased (Public 264, 66th Cong., 2nd sess.), p. **198;** retirement law for civil service employees enacted (Public 215, 66th Cong., 2nd sess.), p. **201.**

Administration: women's bureau established in department of labor (Public 259, 66th Cong., 2nd sess.), p. **205;** appropriation to investigate conditions of women in industry (Public 246, 66th Cong., 2nd sess.), p. **205.**

Protections for Seamen

Draft Conventions and Recommendations

Adopted by

THE INTERNATIONAL LABOR CONFERENCE of the League of Nations

(Second Meeting)

Genoa, June 15-July 10, 1920

AT its second meeting,[1] held in Genoa, June 15 to July 10, the official International Labor Conference adopted three "draft conventions" for ratification by the nations within the International Labor Organization of the League of Nations and four "recommendations" to be submitted to these countries for consideration with a view to effect being given them by "national legislation or otherwise."[2]

This meeting, as specifically provided in the peace treaty, was devoted exclusively to protections for seamen.

These draft international conventions and recommendations—relating to national seamen's codes, hours of work, child labor, and unemployment—are printed here as adopted. The recommendation concerning the limitation of hours of work in the fishing industry is textually complete. For the rest, only the articles essential for understanding are given, thus avoiding needless repetition of standard form and content.

[1]For draft conventions and recommendations adopted by the International Labor Conference at its first meeting held in Washington, D. C., Oct. 29 to Nov. 29, 1919, see *American Labor Legislation Review,* Vol. IX, No. 4, Dec., 1919, pp. 527-539.

[2]For provisions with regard to "draft international conventions" and "recommendations," see Art. 405, Part XIII (Labor Section) of the Peace Treaty, *American Labor Legislation Review,* Vol. IX, No. 3, Sept., 1919.

RECOMMENDATION CONCERNING THE LIMITATION OF HOURS OF WORK IN THE FISHING INDUSTRY.

The General Conference of the International Labour Organisation of the League of Nations,

Having been convened at Genoa by the Governing Body of the International Labor Office, on the 15th day of June, 1920, and

Having decided upon the adoption of certain proposals with regard to the "Application to seamen of the Convention drafted at Washington, last November, limiting the hours of work in all industrial undertakings, including transport by sea and, under conditions to be determined, transport by inland waterways, to 8 hours in the day and 48 in the week. Consequential effects as regards manning and the regulations relating to accommodation and health on board ship," which is the first item in the addenda for the Genoa meeting of the Conference, and

Having determined that these proposals shall take the form of a recommendation,

adopts the following Recommendation, to be submitted to the Members of the International Labour Organization for consideration with a view to effect being given to it by national legislation or otherwise, in accordance with the Labour Part of the Treaty of Versailles of 28 June, 1919, of the Treaty of St. Germain of 10 September, 1919, of the Treaty of Neuilly of 27 November, 1919, and of the Treaty of the Grand Trianon of 4 June, 1920:

In view of the declaration in the Treaties of Peace that all industrial communities should endeavor to adopt, so far as their special circumstances will permit, "an eight-hours' day or a forty-eight hours' week as the standard to be aimed at where it has not already been attained," the International Labour Conference recommends *that each Member of the International Labour Organisation enact legislation limiting in this direction the hours of work of all workers employed in the fishing industry, with such special provisions as may be necessary to meet the conditions peculiar to the fishing industry in each country; and that in framing such legislation each Government consult with the organisations of employers and the organisations of workers concerned.*

RECOMMENDATION CONCERNING THE LIMITATION OF HOURS OF WORK IN INLAND NAVIGATION.

I.

That each Member of the International Labour Organisation should, if it has not already done so, enact legislation limiting in the direction of the above declaration in the Treaties of Peace [that all industrial communities should endeavor to adopt, so far as their special circumstances will permit, "an eight hours' day or a forty-eight hours' week as the standard to be aimed at where it has not already been attained"] the hours of work of workers employed in inland navigation, with such special provisions as may be necessary to meet the climatic and industrial conditions peculiar to inland navigation in each country, and after consultation with the organisations of employers and the organisations of workers concerned.

II.

That those Members of the International Labour Organisation whose territories are riparian to waterways which are used in common by their boats should enter into agreements for limiting in the direction of the aforesaid declaration, the hours of work of persons employed in inland navigation on such waterways, after consultation with the organisations of employers and the organisations of workers concerned.

III.

That such national legislation and such agreements between riparian countries should follow as far as possible the general lines of the Draft Convention concerning hours of work adopted by the International Labour Conference at Washington, with such exceptions as may be necessary for meeting the climatic or other special conditions of the countries concerned.

IV.

That, in the application of this Recommendation, each Member of the International Labour Organisation should determine for itself, after consultation with the organisations of employers and the organisations of workers concerned, what is inland navigation as distinguished from maritime navigation, and should communicate its determination to the International Labour Office.

RECOMMENDATION CONCERNING THE ESTABLISHMENT OF NATIONAL SEAMEN'S CODES.

In order that, as a result of the clear and systematic codification of the national law in each country, the seamen of the world, whether engaged on ships of their own or foreign countries, may have a better comprehension of their rights and obligations, and in order that the task of establishing an International Seamen's Code may be advanced and facilitated, the International Labour Conference recommends that each Member of the International Labour Organisation undertake the embodiment in a seamen's code of all its laws and regulations relating to seamen in their activities as such.

DRAFT CONVENTION FIXING THE MINIMUM AGE FOR ADMISSION OF CHILDREN TO EMPLOYMENT AT SEA.

ARTICLE 1.

For the purpose of this Convention, the term "vessel" includes all ships and boats, of any nature whatsoever, engaged in maritime navigation, whether publicly or privately owned; it excludes ships of war.

ARTICLE 2.

Children under the age of fourteen years shall not be employed or work on vessels, other than vessels upon which only members of the same family are employed.

ARTICLE 3.

The provisions of Article 2 shall not apply to work done by children on school-ships or training ships, provided that such work is approved and supervised by public authority.

ARTICLE 5.

Each Member of the International Labour Organisation which ratifies this Convention engages to apply it to its colonies, protectorates, and possessions which are not fully self-governing:

(a) Except where owing to the local conditions its provisions are inapplicable; or

(b) Subject to such modifications as may be necessary to adapt its provisions to local conditions.

ARTICLE 7.

As soon as the ratifications of two Members of the International Labour Organisation have been registered with the Secretariat, the Secretary General of the League of Nations shall so notify all the Members of the International Labour Organisation.

ARTICLE 8.

This Convention shall come into force at the date on which such notification is issued by the Secretary General of the League of Nations, but it shall then be binding only upon those Members which have registered their ratifications with the Secretariat. Thereafter this Convention will come into force for any other Member at the date on which its ratification is registered with the Secretariat.

ARTICLE 9.

Subject to the provisions of Article 8, each Member which ratifies this Convention agrees to bring its provisions into operation not later than 1 July, 1922, and to take such action as may be necessary to make these provisions effective.

RECOMMENDATION CONCERNING UNEMPLOYMENT INSURANCE FOR SEAMEN.

The General Conference, with a view to securing the application to seamen of Part III of the Recommendation concerning Unemployment adopted at Washington on 28 November, 1919, recommends that each Member of the International Labour Organisation should establish for seamen an effective system of insurance against unemployment arising out of shipwreck or any other cause, either by means of Government insurance or by means of Government subventions to industrial organisations whose rules provide for the payment of benefits to their unemployed members.

DRAFT CONVENTION CONCERNING UNEMPLOYMENT INDEMNITY IN CASE OF LOSS OR FOUNDERING OF THE SHIP.

ARTICLE 1.

For the purpose of this Convention, the term "seamen" includes all persons employed on any vessel engaged in maritime navigation.

For the purpose of this Convention, the term "vessel" includes all ships and boats, of any nature whatsoever, engaged in maritime navigation, whether publicly or privately owned; it excludes ships of war.

ARTICLE 2.

In every case of loss or foundering of any vessel, the owner or person with whom the seaman has contracted for service on board the vessel shall pay to each seaman employed thereon an indemnity against unemployment resulting from such loss or foundering.

This indemnity shall be paid for the days during which the seaman remains in fact unemployed at the same rate as the wages payable under the contract, but the total indemnity payable under this Convention to any one seaman may be limited to two months' wages.

ARTICLE 3.

Seamen shall have the same remedies for recovering such indemnities as they have for recovering arrears of wages earned during the service.

ARTICLE 4.

Each Member of the International Labour Organisation which ratifies this Convention engages to apply it to its colonies, protectorates and possessions which are not fully self-governing:

(a) Except where owing to the local conditions its provisions are inapplicable; or

(b) Subject to such modifications as may be necessary to adapt its provisions to local conditions.

ARTICLE 6.

As soon as the ratifications of two Members of the International Labour Organisation have been registered with the Secretariat, the Secretary General of the League of Nations shall so notify all the Members of the International Labour Organisation.

ARTICLE 7.

This Convention shall come into force at the date on which such notification is issued by the Secretary General of the League of Nations, and it shall then be binding only upon those Members which have registered their ratifications with the Secretariat. Thereafter this Convention will come into force for any other Member at the date on which its ratification is registered with the Secretariat.

ARTICLE 8.

Subject to the provisions of Article 7, each Member which ratifies this Convention agrees to bring its provisions into operation not later than 1 July, 1922, and to take such action as may be necessary to make these provisions effective.

DRAFT CONVENTION FOR ESTABLISHING FACILITIES FOR FINDING EMPLOYMENT FOR SEAMEN.

ARTICLE 1.

For the purpose of this Convention, the term "seamen" includes all persons, except officers, employed as members of the crew on vessels engaged in maritime navigation.

ARTICLE 2.

The business of finding employment for seamen shall not be carried on by any person, company, or other agency, as a commercial enterprise for pecuniary gain; nor shall any fees be charged directly or indirectly by any person, company or other agency, for finding employment for seamen on any ship.

The law of each country shall provide punishment for any violation of the provisions of this Article.

ARTICLE 3.

Notwithstanding the provisions of Article 2, any person, company or agency, which has been carrying on the work of finding employment for seamen as a commercial enterprise for pecuniary gain, may be permitted to continue temporarily under Government licence, provided that such work is carried on under Government inspection and supervision, so as to safeguard the rights of all concerned.

Each Member which ratifies this Convention agrees to take all practicable measures to abolish the practice of finding employment for seamen as a commercial enterprise for pecuniary gain as soon as possible.

ARTICLE 4.

Each Member which ratifies this Convention agrees that there shall be organised and maintained an efficient and adequate system of public employment offices for finding employment for seamen without charge. Such system may be organized and maintained, either:

(1) by representative associations of shipowners and seamen jointly under the control of a central authority, or,

(2) in the absence of such joint action, by the State itself.

The work of all such employment offices shall be administered by persons having practical maritime experience.

Where such employment offices of different types exist, steps shall be taken to co-ordinate them on a national basis.

ARTICLE 5.

Committees consisting of an equal number of representatives of shipowners and seamen shall be constituted to advise on matters concerning the carrying on of these offices; the Government in each country may make provision for further defining the powers of these committees, particularly with reference to the committees' selection of their chairmen from outside their own membership, to the degree of State supervision, and to the assistance which such committees shall have from persons interested in the welfare of seamen.

ARTICLE 6.

In connection with the employment of seamen, freedom of choice of ship shall be assured to seamen and freedom of choice of crew shall be assured to shipowners.

ARTICLE 8.

Each Member which ratifies this Convention will take steps to see that the facilities for employment of seamen provided for in this Convention shall, if necessary, by means of public offices, be available for the seamen of all countries which ratify this Convention, and where the industrial conditions are generally the same.

ARTICLE 9.

Each country shall decide for itself whether provisions similar to those in this Convention shall be put in force for deck-officers and engineer-officers.

ARTICLE 10.

Each Member which ratifies this Convention shall communicate to the International Labour Office all available information, statistical or otherwise, concerning unemployment among seamen and concerning the work of its seamen's employment agencies.

The International Labour Office shall take steps to secure the co-ordination of the various national agencies for finding employment for seamen, in agreement with the Governments or organisations concerned in each country.

ARTICLE 13.

As soon as the ratifications of two Members of the International Labour Organisation have been registered with the Secretariat, the Secretary-General of the League of Nations shall so notify all the Members of the International Labour Organisation.

ARTICLE 14.

This Convention shall come into force at the date on which such notification is issued by the Secretary-General of the League of Nations, and it shall then be binding only upon those Members which have registered their ratifications with the Secretariat. Thereafter this Convention will come into force for any other Member at the date on which its ratification is registered with the Secretariat.

ARTICLE 15.

Subject to the provisions of Article 14, each Member which ratifies this Convention agrees to bring its provisions into operation not later than 1 July, 1922, and to take such action as may be necessary to make these provisions effective.

Book Reviews and Notes

Report on the Steel Strike of 1919. By The Commission of Inquiry, The Interchurch World Movement. New York, Harcourt, Brace and Howe, 1920. viii, 277 p.

An impartial summary of industrial facts from which the conclusion is reached that conditions in the steel industry "gave the workers just cause for complaint and for action," and the recommendation advanced that the federal government set up a commission for the industry as a medium for free, open conference between owners and workers. Of especial significance in the campaign for one-day's-rest-in-seven legislation is the finding that "approximately one-half the employees were subjected to the twelve-hour day" and "approximately one-half of these in turn were subjected to the seven-day week."

International Labor Legislation. By Iwao Frederick Ayusawa. New York, Longmans Green, 1920. 258 p.

This recent monograph in the Columbia University Studies, by a Japanese doctor of philosophy who is possessed of a pleasing command of flowing English, sketches in interesting narrative the eighty years of agitation which culminated in the formation of the International Association for Labor Legislation in 1900, and twenty years later in the "labor charter" of the treaty of peace.

Proceedings of the International Conference of Women Physicians. [Held September 15 to October 25, 1919, at The National Board of the Y. W. C. A. in New York City.] New York, The Women's Press, 1920. Vols. I-VI.

Six volumes of authoritative discussion of health problems. Volume II (144 p.), devoted to "Industrial Health," contains eleven papers of especial interest to students of the movement for maternity protection and workmen's health insurance legislation.

Handbook, Navigation Laws of the United States. Walter MacArthur, Compiler. San Francisco, James H. Barry Company, 1918. 146 p.

A third edition, with supplemental addenda, bringing up to date all laws and amendments relating to seamen in the American merchant marine, including the Seamen's Act of 1915 and the laws and court decisions on accident compensation. Contains helpful notes and tables of information.

The Seaman's Contract, 1790-1918. Walter Macarthur, Compiler. San Francisco, James H. Barry Company, 1918. 234 p.

A complete reprint of American laws relating to seamen. Especially valuable for comparison of earlier statutes with more recent legislation.

Health Insurance: (6) *Opposition Attempts to Mislead Workers.* (7) *Summary of Discussion by Senator Frederick M. Davenport of Health Insurance in the Senate of the State of New York.* (8) *What's Your Health Worth?* (9) *Effects of Sickness on Wage Earners.* By Committee on Health, New York State Federation of Labor, Albany, 1919, 1920.

The first five reports in this series were noted in the June and December, 1918, issues of this Review. The combined reports represent one of the finest examples of intelligent and effective educational work in behalf of protective legislation, particularly Report No. 9 on sickness in industry as a cause of poverty and compulsory health insurance as the proper means of relief and prevention.

The American Labor Year Book, 1919-1920. Edited by Alexander Trachtenberg. New York, Rand School of Social Science, 1920. 447 p.

Contains sections on "labor in the war," social and economic conditions in America, international labor movements and labor and the law, including child labor and women's hours legislation, the minimum wage, and a report on recent progress toward health insurance legislation.

The History of Trade Unionism. By Sidney and Beatrice Webb. New York, Longmans Green, 1920. xviii, 784 p.

Despite the title, this excellent book, which first appeared in 1894, is a history of *British* trade unionism. In 784 pages, for example, the American Federation of Labor is referred to twice; once, in a footnote, and again where casual mention is made of "Mr. Gompers, the *Secretary* of the American Federation of Labor." Appearing in 1920, the volume is enlarged forty per cent. by the addition of three new chapters on political organization, the place of trade unionism in the state, and thirty years' growth (1890-1920). Sidney and Beatrice Webb in their History long ago set a standard which has been a challenge and an inspiration to students of the labor problem. This revised edition, extended to 1920, will be the standard book on British trade unionism until—until it is revised again.

Common Sense in Labor Management. By Neil M. Clark. New York and London, Harper & Brothers, 1919. 218 p.

The theme of this book is the establishment of industrial peace through justice. Employers who wish to create or restore human relations with their employees will find here a wealth of suggestions. As editor of *System,* the

author has selected and described measures used by the International Harvester Company, the Eastman Kodak Company, the Callaway Mills of Georgia, and the Filene Department Store of Boston. The various chapters discuss wage-systems, bonus and profit-sharing plans, housing, irregularity of employment, and the creation of interest in the work.

The Church and Industrial Reconstruction. By COMMITTEE ON THE WAR AND THE RELIGIOUS OUTLOOK. New York, Association Press, 1920. VIII, 296 p.

A forward-looking report by an interdenominational group appointed to consider problems growing out of the war, "with special reference to the duty and opportunity of the Churches." Protective legislation for labor is supported for its "conservation of the human values imperilled by the impersonal character of modern industry" and for its "direct help to the individual employer or investor who is trying to put his Christian principles into practice," by way of protecting him against unscrupulous competitors.

The Redemption of the Disabled. By GARRARD HARRIS. New York, D. Appleton & Co., 1919. XXVI, 318 p.

An excellent and exhaustive study of the provisions made by different countries for the rehabilitation of war cripples. Details are given of methods used. Now that the Fess-Kenyon bill for rehabilitation of industrial cripples has become a law, and each state is called upon to co-operate with our federal government, the book will be of great practical value to those who are planning or organizing rehabilitation work.

Organized Labor in American History. By F. T. CARLTON. New York, Appleton, 1920. 313 p.

One chapter of this volume, which is dedicated to "The American Workingman, A Nation Builder," deals with labor legislation, and interestingly enough it points out with greater insight than most books the part which middle-class reformers have always played in initiating legislation beneficial to labor.

A Short History of the American Labor Movement. By MARY BEARD. New York, Harcourt, Brace and Howe, 1920. 174 p.

A brief and simple story of the labor movement in the United States for the busy citizen. This volume is largely based upon the two volumes, *History of Labor in the United States,* by Commons and Associates.

The Labor Market. By DON D. LESCOHIER. New York, Macmillan, 1919. 338 p.

The best American book on unemployment.

PUBLICATIONS

American Association for Labor Legislation

No. 1: Proceedings of the First Annual Meeting, 1907.
No. 2: Proceedings of the Second Annual Meeting, 1908.*
No. 3: Report of the General Administrative Council, 1909.*
No. 4: (Legislative Review No. 1) Review of Labor Legislation of 1909.
No. 5: (Legislative Review No. 2) Industrial Education, 1909.
No. 6: (Legislative Review No. 3) Administration of Labor Laws, 1909.*
No. 7: (Legislative Review No. 4) Woman's Work, 1909.*
No. 8: (Legislative Review No. 5) Child Labor, 1910.
No. 9: Proceedings of the Third Annual Meeting, 1909.*
No. 10: Proceedings of the First National Conference on Industrial Diseases, 1910.*
No. 11: (Legislative Review No. 6) Review of Labor Legislation of 1910.
No. 12: (American Labor Legislation Review, Vol. I, No. 1.) Proceedings of the Fourth Annual Meeting, 1910.
No. 13: (American Labor Legislation Review, Vol. I, No. 2.) Comfort Health and Safety in Factories.
No. 14: (American Labor Legislation Review, Vol. I, No. 3.) Review of Labor Legislation of 1911.
No. 15: (American Labor Legislation Review, Vol. I, No. 4.) Prevention and Reporting of Industrial Injuries.
No. 16: (American Labor Legislation Review, Vol. II, No. 1.) Proceedings of the Fifth Annual Meeting, 1911.*
No. 17: (American Labor Legislation Review, Vol. II, No. 2.) Proceedings of the Second National Conference on Industrial Diseases, 1912.
No. 18: (American Labor Legislation Review, Vol. II, No. 3.) Review of Labor Legislation of 1912.
No. 19: (American Labor Legislation Review, Vol. II, No. 4.) Immediate Legislative Program.
No. 20: (American Labor Legislation Review, Vol. III, No. 1.) Proceedings of the Sixth Annual Meeting, 1912.*
No. 21: (American Labor Legislation Review, Vol. III, No. 2.) Proceedings of the First American Conference on Social Insurance, 1913.
No. 22: (American Labor Legislation Review, Vol. III, No. 3.) Review of Labor Legislation of 1913.
No. 23: (American Labor Legislation Review, Vol. III, No. 4.) Administration of Labor Laws.
No. 24: (American Labor Legislation Review, Vol. IV, No. 1.) Proceedings of the Seventh Annual Meeting, 1913.
No. 25: (American Labor Legislation Review, Vol. IV, No. 2.) Proceedings of the First National Conference on Unemployment, 1914.
No. 26: (American Labor Legislation Review, Vol. IV, No. 3.) Review of Labor Legislation of 1914.
No. 27: (American Labor Legislation Review, Vol. IV, No. 4.) Association Activities.

*Publication out of print.

INTRODUCTORY NOTE

CONGRESS and the legislatures in forty states will, within a few weeks, be making their records for a new year. The duty of taking action on a number of legislative proposals—some long delayed, others newly arisen—will confront them on the opening day. These include federal legislation to restore to longshoremen the protection of workmen's compensation laws; state legislation accepting co-operation under the new national law for the vocational rehabilitation of industrial cripples; state accident insurance; old age pensions, and state laws for maternity protection. This number of the REVIEW is largely devoted to brief explanations of the status of such legislation in the United States together with well-considered suggestions for drafting effective bills.

Meanwhile, just in advance of these legislative sessions, the fourteenth Annual Meeting of the Association—to be held in New York City, December 29 and 30—promises to be most timely and constructive. In addition to important discussions of immediate legislative issues, including longshoremen's compensation and health legislation for wage-earning families, there will be sessions of exceptional significance devoted to such live topics as "Industry's Responsibility to Keep the Wheels Moving." Distinguished American leaders of thought and action will,

out of wide and varied experience with practical aspects of the problems presented, contribute their expert opinion.

True to its policy of "investigation, education, legislation," the Association goes steadily forward with its work. Despite a "tidal wave of reaction"—even **because** of it—the need is greater than ever before to meet existing industrial unrest with enlightened effort and constructive measures; to aid in the return from a war to a peace basis with permanent gains to industry through the effective application of scientific principles in legislation for the full protection of the safety, health and efficiency of labor; to provide at once the necessary measures for combatting in 1921 a repetition of the bread lines of 1914-15 and to establish the enduring machinery for averting in future the industrial calamity of an army of jobless workers.

JOHN B. ANDREWS, *Secretary*,
American Association for Labor Legislation.

Legislative Notes

STATE compensation officials have been actively interested in the campaign of the American Association for Labor Legislation to secure effective legislation from Congress restoring **workmen's compensation** protection to **longshoremen** and other so-called "maritime" workers. A resolution adopted at the seventh annual meeting recently at San Francisco of the International Association of Industrial Accident Boards and Commissions points out that "the present state of the maritime law is hopelessly inadequate and archaic with respect to protection of maritime workers against industrial injury. Such workers should receive the same protection as is given employees in land employments in more than forty-two states in the United States at the present time." The resolution authorized the appointment of a committee "to confer with the American Association for Labor Legislation and other bodies or organizations interested, for the fuller presentation of this matter to the Congress of the United States."

◇

THREE of the Draft Conventions adopted at the Washington meeting of the International Labor Conference of the League of Nations have been advanced well on the way to adoption in Czecho-Slovakia. A bill now before the National Assembly provides for **ratification of the Draft Conventions** limiting the hours of work in industrial undertakings to eight in the day and forty-eight in the week; restricting night work of women, and fixing the minimum age for admission of children to industrial employment. A system of labor exchanges now existing in Bohemia will be extended to the whole country as soon as the National Assembly approves a bill placed before it by the Minister of Social Welfare, conforming to the international Draft Convention for a national public employment service. Progress has also been made in Czecho-Slovakia in the protection of maternity through a government regulation bringing the existing law into conformity with the Draft Convention to prohibit the employment of women before and after childbirth.

◇

A CAMPAIGN poster, widely distributed through the joint action of The Allied Industries of Missouri, an organization of employers, and the Missouri State Federation of Labor, in behalf of the **workmen's compensation** law which was voted upon in a popular referendum November 2,

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contains this declaration: **"Forty-two states have a workmen's compensation act. Missouri is one of only six states which do not have such a law. The legislature passed this law and Governor Gardner signed it. It now requires a favorable vote of the people to make it effective. It is not a tax measure. It will not cost the people one cent. Both employers and employes are demanding a 'yes' vote. The platforms of both the Democratic and Republican parties have declared in favor of ratification. * * * Workmen's compensation is progressive, helpful, humanitarian legislation, which should receive the support of all voters, men and women, who are interested in advancing the welfare of the people."** And still workmen's compensation was defeated in that state by a 31,000 majority—ambulance-chasing lawyers being credited with the low vote in the industrial centers, which was not sufficient to offset the adverse vote in the rural districts. Thus one more chapter is added to "the Shame of Missouri"!

◇

A COMPULSORY **workmen's health insurance law**, providing also for old age, went into effect in Italy on July 1, 1920. It covers wage earners of both sexes between the ages of fifteen and sixty-five and also tenant farmers and peasants working land on half shares. All employers of day labor, contract labor or labor engaged by the job are obliged to insure their employees under the act. No insurance is paid for illness lasting less than seven days nor for illness during which full wages have been paid. Democratic management is recognized in the provision that representatives of the employers and the insured workers shall share jointly in the administration of the insurance funds.

◇

"TODAY the Ohio State Insurance Fund is the largest carrier of **workmen's compensation insurance**, public or private, in the world. More than a million dollars a month is being collected by this fund, all of which is paid out for compensation and medical treatment for the injured workers or the dependents of those who are killed in the course of employment. **This law supplied such an urgent need in the state that the employers and the laboring people of Ohio now look upon it as an accomplishment that outshines any other achievement in the state's history.**"—T. J. DONNELLY, *Secretary, Ohio State Federation of Labor.*

◇

A TECHNICAL service of Social Insurance, one branch of which deals especially with questions of disabled war veterans, has been established by the **International Labor Office** at Geneva.

◇

EFFORTS to bring about the immediate enactment of legislation by Congress restoring to **longshoremen** and other workers along the nation's waterfronts the protection of **state workmen's compensation**—of which they were recently deprived by two unfortunate five-to-four decisions of the United States Supreme Court—have been strengthened by declarations in both the Republican and Democratic national platforms of 1920. It

is significant, and promising, to find the two great parties in agreement as to the desirability of extending the principle of workmen's compensation so as to cover workers who still remain without such protection against the hazards of industrial accidents. The Democratic platform pledged the extension of federal workmen's compensation legislation "so as to include laborers engaged in loading and unloading ships," while the Republican platform declares: "We favor the application of the workmen's compensation acts to the merchant marine."

◇

A MICHIGAN law—the **workmen's payment act** of 1913—requiring certain corporations to make final settlement with every discharged employee on or before the next regular pay day following his discharge or pay to the employee an amount equal to his original wages with an additional 10 per cent for each day's wages after the regular pay day, has been declared unconstitutional by the state supreme court. In reversing a lower court, the supreme court said that the law is "class legislation of the most objectionable kind," because it only applies to certain corporations. The penalty clause, in the court's opinion, is "confiscatory and unreasonable."

◇

"AGITATION for **compulsory health insurance,**" says a recent editorial in the *Saturday Evening Post,* "has had a good result in directing livelier attention to sickness prevention. Keep that up."

◇

A BILL prohibiting the employment of women and persons under 18 years of age in certain processes of lead manufacturing, and laying down regulations for such work as they may do, was passed by the British House of Commons on November 5. This is the first measure adopted by England to give effect to a **recommendation of the International Labor Conference** of the League of Nations held a year ago in Washington. The penalty for any infringement of the provisions of the bill is fixed at 20 pounds.

◇

A NEW departure in **labor law administration,** looking toward increased effectiveness, is under way in New York. The state industrial commission has recently announced its decision to experiment with a plan of cooperation with employers, under which an employer, when charged with violation of the labor law, will be summoned to appear before the commission and show cause why he should not be prosecuted. At the outset this plan will be limited to minor violations. "This," the commission's chief counsel, Mr. Bernard L. Shientag, announced, "will bring employers into personal touch with the members of the commission and secure a better understanding and respect for the law. **It will do away with the necessity for prosecutions in the magistrates' courts in many cases of minor violations which have heretofore resulted in a large number of suspended sentences.** The aim of the commission is to secure compliance with the law through voluntary

action of employers whenever possible, and better results will be obtained along these lines if the commission itself takes up first offense violations and explains to employers directly the necessity of complying with the law and the consequences of subsequent violation. This procedure on the part of the commission is bound to result in fewer suspended sentences when the commission finds that it is obliged to take employers into court."

◇

BELGIUM, on August 20, enacted a new **old age pension** law. Persons born before 1858 upon reaching the age of sixty-five are to receive an annual pension of from 600 to 720 francs. This amount will be reduced if the claimant has an independent income, but certain sources of income are exempt. The cost of the pensions are to be shared five-eighths by the state, one-eighth by the province and two-eighths by the commune.

◇

LAWS in every state providing **exclusive state funds** for workmen's compensation insurance are urged in a resolution unanimously adopted at the Montreal convention of the American Federation of Labor, which condemns the taking of private profits by commercial insurance companies out of the misfortunes of the workers. **"The American Federation of Labor,"** the resolution states, **"has repeatedly appealed for the elimination of private profit in the operation of the workmen's compensation laws.** In the state of Ohio the law has worked to the advantage of the wage workers and with the elimination of private companies much greater benefits are available to the injured workers. **We have appealed in the past to the various state federations to have them work for the adoption of legislation which will give to the state alone the control and operation of the workmen's compensation law.** The present law in operation in Ohio is one that other states can safely follow." The resolution instructs Secretary Morrison to call the attention of the secretary of each state federation to the **Ohio compensation law** "with the request that each state federation petition for the enactment of similar legislation in each state." Before the vote was taken a question was asked whether the Ohio plan for an exclusive state accident insurance fund is applicable also to states of small population. "As a citizen of Ohio," replied John P. Frey of the molders' union, "I would say the Ohio law is applicable to any state, no matter how sparse the population. It is based upon the theory that every cent contributed by industry should go to those who are injured, or to the families of those who are killed, and not one cent to private profit."

◇

"JULIA LATHROP, chief of the United States Children's Bureau, asserts that within the first year after birth the United States loses one in ten of all babies born," says an editorial in *Labor*. "With all our boasted progressiveness in human affairs this nation ranks eleventh among the principal countries of the world in the number of deaths under one year of age. New Zealand loses fewer babies than any other country, and there

is good reason for this. In 1907 New Zealand's infant death rate was higher than that of the United States today. Laws were enacted establishing state maternity hospitals, creating a staff of visiting nurses, and regulating the practice of midwives. The result has been that the death rate has gone steadily down to less than half that of the United States. In this country more children die from conditions related to the health and care of the mother than from bad care of the baby, bad feeding or infectious diseases. Government statistics show that in 1916, from figures compiled only in the United States registration area, 68,509 babies under one year of age died because the mothers did not have the proper care before and after the time of confinement. Miss Lathrop's careful survey shows that Scotland, England and Wales, the Netherlands, Denmark, Switzerland, Ireland, Sweden, Norway, Australia and New Zealand have a lower infant death rate than the United States. The rate in France is about equal with that of this country. Now that women have universal suffrage, one of their first duties should be to compel Congress to enact adequate legislation for the protection of mothers and infants." *And, it should be added, the duty rests directly upon all states to begin at once to make legislative provisions for* **maternity protection** *in anticipation of federal action for national-state cooperation in this most important work of conserving our human resources.*

◇

Efforts to secure an exclusive **state accident insurance fund** in Minnesota have been making encouraging headway. So much so that opponents of this legislation now appear to be seeking to forestall the enactment of a state fund law by bringing forward belated proposals to amend the workmen's compensation act so as to compel employers to carry insurance against industrial accidents and to provide stricter control by the state over insurance carriers. The annual report of the Minnesota department of insurance recently submitted to the Governor comes into line with these tactics by recommending laws (1) providing for the adequate supervision of premium rates on workmen's compensation, (2) providing that all employers shall insure against the risks arising under the workmen's compensation act or demonstrate by satisfactory evidence their ability to carry such risks themselves, (3) relieving the courts of the duty of adjusting claims of employee against employer arising under the act and giving jurisdiction of such matters to a board or commission so that compensation claims may be settled uniformly, justly and with as little delay as possible. "I believe," the insurance commissioner significantly adds, "if these things are done there will be no demand that the state establish a monopolistic fund for the purpose of carrying risks under the compensation act."

◇

"You know the dread of every working man is that he will get sick and his family will suffer," declared Warren S. Stone, president of the Brotherhood of Locomotive Engineers' Cooperative National Bank of Cleveland, in a recent interview. Which is a reminder that the United

States Department of Labor has made an official estimate that 450,000,000 days' time is lost every year by 50,000,000 workers in this country on account of sickness—one of the big reasons for the strong movement under way in industrial states for the adoption of **workmen's health insurance.** And R. M. Little of the Safety Institute of America, referring to the 2,000,000 industrial accidents in the United States every year, points out that each of more than 700,000 industrial workers loses more than four weeks every year as a result of industrial accidents; that there are at least 22,500 industrial deaths annually in this country, and that our industries turn out each year 15,000 workmen suffering from permanent disability—"battle casualties of peace" that are cared for by workmen's compensation laws, now being supplemented by vocational rehabilitation legislation. It was only a decade ago that beginnings were being made in the United States toward workmen's compensation laws in the same way that beginnings are now under way for workmen's health insurance.

◇

A BOSS window cleaner has received a prison sentence by a New York special sessions court for persistently refusing to insure his employees against industrial accidents under the state workmen's compensation law. This is the first New York employer to go to **jail for violating the compensation law;** a fine of $50 having been customary in such cases. The State Industrial Commission's inspector told the court that the widow of a man killed in the window cleaner's employment would have received $8,000 had her husband been insured as the law requires.

◇

"A MASTERPIECE of legal literature," remarked the *Review of Reviews* in 1911, commenting upon the decision of the Wisconsin Supreme Court upholding the workmen's compensation law. This decision was written by Chief Justice John B. Winslow, whose death on July 13, 1920, has removed from the American bench one of its ablest and most enlightened expounders of protective labor legislation. It was in his **favorable workmen's compensation decision** that Justice Winslow wrote: "When an 18th century constitution forms the charter of liberty of a 20th century government must its general provisions be construed and interpreted by an 18th century mind surrounded by 18th century conditions and ideals? Clearly not. This were to command the race to halt in its progress, to stretch the state upon a veritable bed of Procrustes." And in the same inspiring document he declared that "to speak of the common law personal injury action as a remedy for this problem is to jest with serious subjects, to give a stone to one who asks for bread"—words that now apply with singular force to the plight of longshoremen who are calling upon Congress for legislation to restore to them the protection of workmen's compensation of which they were recently deprived by a second five-to-four decision of the United States Supreme Court.

Unemployment Prevention and Insurance

By John B. Andrews

As factories close down and stocks tumble, one topic of discussion always experiences a good old-fashioned boom. In time of industrial depression public interest in unemployment revives. In fact, if conditions but grow bad enough this interest is skyrocketted into real prominence.

Recently, with official reports from vital manufacturing centers indicating that in half a dozen important industries a period of wide-spread unemployment has arrived, interest in measures for combatting its worst social effects has suddenly burst forth from oblivion. A few employers have already developed unemployment funds within their own establishments, and others have the matter under consideration. A few trade unions are paying out-of-work benefits to their own unemployed. Occasionally there is an inquiry about unemployment insurance legislation, for there is still some interest in what other countries are doing. But the most eager inquiries are still fathered by the fear of turbulent times ahead.

As newspaper headlines bark out the facts—"MILLS CLOSE; THOUSANDS UNEMPLOYED"—thoughts turn backward to the crisis of 1914-1915 when much was projected amid general public ineffectiveness and little of a permanent character was actually done.[1] Only six years ago we had many months of industrial depression. Hundreds of thousands of workers were without jobs. Municipal lodging houses overflowed into city morgues where footsore and discouraged men on bitter winter nights slept in rows on the floor. We had bread lines. Citizen committees were organized, conferences were held, and many fine dinners were enjoyed where the unemployed were discussed. Rude workmen accustomed to meat were gently advised to eat fish. Unemployed thousands marched upon city halls while investigators gathered statistics.

In the course of months industrial conditions improved. And with the passing of that crisis, public interest in unemployment likewise passed away. It is one of the tragedies of this problem in America that public attention can be directed to it

[1] For a comprehensive report upon the lessons then taught, see *American Labor Legislation Review*, Vol. V, No. 3, November, 1915.

only in time of crisis, when energies must be concentrated chiefly upon temporary relief in the form of charity. Another peculiarity of this problem is that as surely as night follows day and sparks fly upward—one industrial crisis follows another. Unemployment is a problem of industry.

Out of the much-threshed straw of past crises and the conclusions of experienced men, there was published six years ago a *Practical Program for the Prevention of Unemployment*.[2] It was distributed by thousands of copies and was discussed with much approval. Some progress has already been made in the adoption of each one of its provisions. But very much more remains to be done. Prominently stressed on this program, as of overwhelming importance, was the obligation of industry to keep the wheels moving.

The regularization of private industry, through the combined efforts of employer, employees and the consuming public, offers still unmeasured possibilities in the prevention of inexcusable waste. Six years ago, in the program already mentioned, attention was sharply called to the wastefulness of excessive labor "turnover," resulting in part from an iniquitous system of "hiring and firing." It was recommended that employment departments be established, and already a new profession of employment managers has sprung up with a national organization holding meetings at which are gathered together a thousand specialists from the industrial centers of the continent. The regulation of output was also urged as peculiarly a responsibility of the employer. Record keeping and forward planning, to give more intelligent direction to such regulation of output, was stressed as another task that under the present management of industry is squarely up to the employer. Here, also, some progress has been made and **too much credit cannot be given the industrial plants that have in this respect recognized their responsibility and have taken steps to regularize production.** A most interesting development is the recent increased activity of engineers under the leadership of efficiency pioneers like Robert Wolf and inspirational teachers like Herbert Hoover. **It is encouraging that engineers are besought, by the most conservative, to explain why our captains of industry periodically march us into such a hopeless, wasteful, unemployment muddle.**

[2] See *American Labor Legislation Review*, Vol. V, No. 2, June, 1915; also reprints.

Gradually it is dawning upon the whole nation that unemployment is a problem of industry.[3]

Failure to recognize the seriousness of this problem in its more sinister effects upon the unemployed themselves, is less likely. Especially will the timid citizen who loves his comfort undisturbed, who pictures a hairy Bolshevist in every passing shadow, dread the prospect of any prolonged period of unemployment extending through the cheerless winter months. And with reasonable certainty it may be predicted that any future "army of the unemployed" in America will not be without effective leadership to dramatize the industrial and social responsibility for the plight of hungry, jobless men who honestly seek work but are unable to find it.

When the time comes—and come it will as surely as night follows day—when hundreds of thousands of unemployed will again clamor before the pillars of our city halls, or sullenly gather in embittered silence to learn that in all North America there is "not enough work" for them, what shall our answer be?

At least we should be able to say that, as wide-awake citizens we did not ignore, while under the sunny skies of comparative prosperity, this certain coming of the storm. Economists tell us that one of the traits that distinguishes the civilized man from the savage is the former's foresight. A civilization, therefore, that is worthy of the name should exercise foresight, and in time of prosperity set aside something for the inevitable rainy day. In a practical program for combatting the harmful individual and social effects of unemployment, it was therefore urged six years ago that an essential step is insurance.

Unemployment insurance should be utilized to maintain, through out-of-work benefits, those reserves of labor which, despite all the efforts of the wisest engineers for decades to come, will still be necessary to meet the unprevented fluctuations of industry. The financial burden of this maintenance should properly fall on the industry (employers and workers as a whole) and upon the consuming public, rather than upon the fraction of the workers who are in no way responsible for industrial fluctuations and who are as essential, even in their

[3]In a recent editorial the Boston *Herald* said: "There is something fundamentally wrong with an industrial system which declares on the one hand that greater production is essential, that thrift is essential, and yet tries to solve the problem of under production and profligate expenditure by closing down the factories and throwing men out of work."

periods of unemployment, to the well-being of industry as are the reserves of an army. Furthermore, **it is as important for society and for industry as for the workers themselves that their character and physique be preserved during periods of unemployment so that they may, when called for, return to industry with unimpaired efficiency, and may be preserved from dropping into the ranks of the unemployable where they will constitute a much more serious problem.**

Three principal methods of unemployment insurance have been developed. Perhaps the earliest of these was the out-of-work benefit system of the trade unions. In the United States and Canada the number of such efforts on a national scale has been very limited. Including all of such benefits given from time to time by international and local unions, the total amount of relief provided is, in comparison with the need of all unemployed workers, an insignificant sum.

The so-called "Ghent system" of government subsidies (usually municipal) to trade union organizations which pay out-of-work benefits has spread through a large number of industrial centers in Western Europe. One weakness of this plan, often pointed out, is that it makes no provision for insurance against unemployment among those workers who do not belong to the organization receiving the subvention. Such a plan in a country where trade unionism is not widely established would meet the needs of only a small percentage of employed people. And the vast majority of those who would most need the assistance in time of unemployment would be the very ones who would not have the protection. There are, however, a number of features to commend this system, especially its advantages from the standpoint of administration.

Public unemployment insurance seeks to make the protection universal, and employers, workers and the state usually become joint contributors. The outstanding example of this system is compulsory nation-wide insurance in Great Britain. Beginning there in 1912 with 2,500,000 workers so protected, the plan, as a result of eight years of practical experience, was extended in 1920 to cover twelve million workers or two-thirds of all employed persons—nearly one-fourth of the entire population. Benefits also have been greatly liberalized; the waiting period during which no payments are made has been cut down from one week to three days, and weekly cash benefits have been more than doubled in amount. **This new law—in effect in**

England on November 8, 1920—is the most significant measure of this kind ever adopted anywhere. It is an extension through evolutionary development. It is overwhelming testimony that public unemployment insurance legislation can be successfully administered.

Of great assistance in the administration of public unemployment insurance is a public employment service—now recognized as an essential step in any comprehensive program for combatting unemployment and its consequences. City and state employment bureaus in the United States were supplemented during the World War by a hurriedly organized federal system. This machinery performed an important function at a critical time, but when the emergency was past the greater part of it was unceremoniously scrapped by Congress, which failed to grant needed appropriations. **A bill to establish this service on an adequate permanent basis is again before Congress and should be vigorously supported.** Canada meanwhile has fared better and under its present capable direction the Dominion service can render effective aid either by directing men to jobs or by helping to administer unemployment insurance when it is established. This, too, effectively balks the malingerer.

A careful arrangement of public works—especially the pushing of necessary public projects when private industry's demand for labor is weak—is likewise desirable in connection with efforts to prevent and to insure against the evils of unemployment. **Public work should be made to act as a sponge, absorbing as many laborers as possible from the reserves of private industry in slack seasons and bad years, and promptly setting them free again with the revival of private business.** For this purpose we have the beginnings of state legislation, and a not inconsiderable experience in various American cities. The United States War Department in 1919 recognized and utilized the possibilities of stimulated public work in finding employment for its demobilized military forces. Full use should similarly be made of public works in times of industrial demobilization.

In addition to threatening industrial depression here and the extension of insurance legislation in England, there have been several recent developments in the United States and Canada which have aroused increased interest in unemployment insurance. Canada having built up an efficient national system of employment bureaus, at the close of the war also surprised herself by the ease with

which she administered the unemployed benefits to discharged soldiers. The Canadian Trades and Labor Congress has since adopted a resolution favoring state unemployment insurance. And at the Boston convention in May, 1920, of the powerful Amalgamated Clothing Workers of America, a resolution was adopted directing that immediate steps be taken toward creating an unemployment fund for that industry. The following opinion appeared to be held unanimously:

> Justice dictates that the industry which depends upon the workers to keep it alive should take care of them when they are unemployed. That can be done only by the creation of a special fund for the payment of unemployment wages; no gift and no alms, but wages from the industry to the worker. There is no reason why the industry which pays a permanent tax to the various insurance companies in order to indemnify the employer in case of emergency should not likewise have a permanent fund for the indemnification for lack of work. The welfare of the workers in the industry should be entitled to at least as much consideration as the property of the employer.

It should not be forgotten in this connection that a few American employers are already making voluntary private experiments in unemployment insurance, that is, in the form of establishment funds. From specific information which I have recently gathered from several large employers of labor it is apparent that these systems are usually wholly the employer's undertaking although a committee of workmen may be used as an aid in their administration. The employers pay the cost, from money set aside by the directors out of the profits. But it is felt in these instances that the burden of unemployment ought to be jointly shared by the employer and the employee, and the fund is therefore not a guarantee of the full wage rate. In one establishment employees with dependents, when out of work, receive 80 per cent of wages; those without dependents receive 60 per cent. One employer's opinion, which one must wish were more widely shared by "captains of industry," is as follows:

> The employer's relation to unemployment is not yet clearly determined. The notion that he has *any* element of responsibility for unemployment which requires consideration upon his part, though accepted by forward-looking thinkers on the subject, has not yet lost its novelty. Limitations upon this responsibility begin to suggest themselves on the most casual thought; for the employer, himself, is obviously often in the grip of conditions that operate beyond the range of his control or of his most searching vision. Nevertheless, although the *moral* responsibility for unemployment cannot invariably be laid at the door of the employer, it is the employer who can both reduce the amount of unemployment among his employees by proper management, and can mitigate the hardship of such unemployment as cannot be

avoided by making reservations for contingencies beyond his control. * * *

By its efforts to prevent seasonal unemployment, which is that phase of unemployment which is largely controllable by the employer, by carefully distinguishing operating expenses from the cost of unemployment relief, and by budgetting unemployment relief and working with its employees in testing out relief methods, this company is endeavoring to develop a scientific method of solving the greatest evil of present working conditions. In this endeavor this company has kept two fundamental principles constantly in mind. The first is, that the highest goal is always the prevention, not the relief of unemployment. The second is, that what will do most to prevent relief from having a tendency to pauperize the employees and check their efforts to safeguard their future, and what will do most to make the giving of relief a stimulus to the employer to prevent unemployment is *the proper distribution of the expense of unemployment between the employer, the employee and the public.*

It is significant that official government representatives and representative employers and workers from forty countries, meeting at Washington in 1919 in the first official international labor conference under the League of Nations, had no difficulty in agreeing to recommend that each country establish "an effective system of unemployment insurance." It is interesting to note that Italy and Austria are putting national unemployment insurance into effect this year. There is reason to anticipate that within a short time the principal industrial countries of the world (except the United States?) will have established unemployment insurance.

In a report recently made public by a committee of the churches I find this conclusion:

In the present legislation for accident insurance, the soundness and importance of which we all now take for granted, we recognize this principle that the worker who has been necessary to an industry has a right to support if his opportunity for earning a livelihood is taken away. The extension of such a programme of insurance to cover enforced unemployment from any cause is a measure which in principle is thoroughly in accord with the Christian sense of social responsibility.

Sooner or later this social responsibility will be recognized on the American continent. Probably the leadership in legislation on the subject will be grasped by Canada. Meanwhile it will become more clearly apparent with each passing year in both Canada and the United States, that unemployment is a problem of industry. **Responsibility for failure to act intelligently, or failure to act at all, or in sufficient time, must rest inevitably upon the managers of industry.** That is where, in the first instance, the responsibility clearly belongs.

Keep Wheels of Industry Moving

By B. C. FORBES
In *Forbes,* a Magazine of Business

IF ever our present economic structure is ruthlessly torn down, the cause is likely to be unemployment. The amount of enforced seasonal idleness in this country is a grave reflection upon the master minds of the financial and business communities. There is lacking among employers a proper feeling of responsibility, a due realization of what they owe not only their employees but the nation. To allow unemployment to become extensive this Winter will be extremely dangerous. This is no time for each employer to think only of himself and let others suffer as they may. That selfish, shortsighted, unbusinesslike attitude has brought grave trouble to other countries. If persisted in long enough and carried far enough, it would assuredly bring trouble here also. Continuity of employment is a problem which should be exercising the minds of every employer and every business association in the United States. If it does not exercise the minds of business men, it will probably be taken out of their hands and handled by others less capable of effecting the desired results. If a million men who are willing to work cannot find work, they are not at all likely to go hungry submissively.

Legislation Now Needed to Restore Compensation to Longshoremen

By Joseph P. Chamberlain

THERE are two classes of workmen in the service of ships: one class includes longshoremen—men employed in loading and unloading the ship while it is in port, and carpenters, machinists, painters and repairmen who refit it for the next voyage; the other includes the men of the sea—the master and crew.

Sailors are a class apart, marked by special rights and duties growing out of the migratory nature of their employment. They go with the ship. With her they cross state lines, national boundaries: they may touch in the ports of four and five different states and countries in the course of a single voyage, and during the return visit find themselves under as many more different jurisdictions. It would clearly be impossible to apply to a seaman new rights and obligations every time his ship left the waters of one state and entered those of another. He cannot be authorized to ask compensation under the New York law if an injury is suffered in New York; the California law if he is hurt in San Francisco harbor; or under a Delaware, New Jersey or Pennsylvania statute—depending on the location of his ship—if the injury occurs while passing up the Delaware River. He would never know when he started on a voyage what compensation he might expect in case of an injury, nor would his employer have any idea as to his own protection when accidents befell. How could he insure such a liability, particularly if an accident happened in a state having an exclusive state fund? **For both sailor and shipowner, uniformity in law and uniformity in its administration are desirable, and possible only under an act of Congress administered through the federal courts or federal commissions.**

Longshoremen and repairmen are in a wholly different situation. They are not migratory. They live in or near the port. They are just as much a part of the labor force of the state in which they are employed as are bricklayers or employees in a local factory. Many of the longshoremen are casual workers. When

stevedoring, notoriously unsteady, is slack, they frequently earn their day's pay on the docks as laborers on strictly land jobs. Often men employed at land jobs are used by their employers to help load and unload vessels. Builders will send their men down for a day, or half a day, to unload a cargo of bricks, and not infrequently the barge had been loaded by regular employees of the brickyard, not by men hired especially for longshore work.

Carpenters and machinists, unlike sailors, are not regularly in the service of the ship. And even in a less degree than longshoremen may they be considered as ship workers. They may have a job on land today, on a vessel tomorrow. In either case they look upon themselves as local residents, not as migratory laborers. Employers of such workers, too, are usually local men or corporations. Even longshoremen in the large ports are usually employed by boss-stevedores whose business of handling cargoes is not subject to changing jurisdictions and "the risks and perils of the sea," like that of the shipowner, but is far more like that of a builder or a drayman. Often, as in the case of a contractor unloading a brick barge, the longshoremen's "maritime" work is only incidental to their regular employment; the same men being used in both. So it is with respect to repairmen. They may have in hand, at the same time, both "maritime" and land jobs at which the same men are used interchangeably.

Clearly, there is no need for a uniform law applying in every port of the United States to accidents suffered by longshoremen and repairmen. Men of this class are subject when in other employments to state laws; as are their employers. Both are accustomed to going to the state compensation commission with regard to payments for injuries, and they know what relief will be given. The employer protects himself and his workers, as to that part of his business which is not maritime, by insuring in the state fund or in an insurance carrier recognized by the state law. The work of longshoremen and repairmen is not in a class apart like that of sailors, with centuries' old customs; these men have a permanent, not a migratory status and—except for the arbitrary rules of law—it is hard to see why they should not be treated on the same basis as other local workmen.

Previous to the enactment of compensation laws, there was no uniformity in their treatment in case of injury, because of the con-

flict between federal jurisdiction over maritime and the state's jurisdiction over local cases. If an injury happened on a ship, the question whether the man was entitled to damages depended on whether under the admiralty law it was the result of a maritime tort, (Atlantic Transport Co. *v.* Imbrovek, 234 U. S. 52); but if the accident happened on the dock, admiralty had no jurisdiction and the state court applying the local law of tort, determined whether and how much damages should be paid. When the states substituted workmen's compensation for the antiquated rule of damages for tort, men of this amphibious class were uniformly included under the statutes, and even though with less reason, sailors were, in some cases, compensated. But in the case of Southern Pacific Company *v.* Jensen, 244 U. S. 205, it was held that the state compensation acts could not be so applied, as contrary to the uniformity of maritime law. Congress then passed the amendment of October 5, 1917, expressly authorizing the extension of the state compensation acts to maritime workers of both classes. This was held unconstitutional in the case of Stewart *v.* Knickerbocker Ice Company[1] (Advance Sheets, Sup. Ct. of the U. S., No. 543, October term 1919) and had previously been held unconstitutional in the Supreme Court of California in Sudden and Christensen *v.* Pillsbury, 188 Pac. 803.

Since the decision in the Jensen case, the highest court in New York has held that the contracts of employment of a longshoreman or repairman of a vessel are maritime contracts and that, at least as far as a longshoreman is concerned, the compensation law **does not apply even to accidents happening to him on land** while he is engaged under his contract. As the admiralty courts will not permit him to sue in admiralty if the accident happens on land, his only remedy is damages for tort under the common law, a remedy which the legislature thought it had abolished in New York for this occupation. A laborer in a brickyard will be subject to the compensation law while wheeling brick from one place to another, even to a dump on the wharf from which it is to be taken on board a scow, but as soon as he starts his barrow load of bricks towards the scow, he becomes a "maritime"

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[1] See article "Longshoremen's Compensation Upset by Supreme Court," by Thomas I. Parkinson in the *American Labor Legislation Review*, Vol. X, No. 2, June, 1920, pp. 117-120.

worker, and can no longer be compensated. If an accident happens to him before he goes over the side of the scow, he must seek his remedy for tort in the state courts, under the law of the state, and if the accident happens on board the barge, he must then seek his remedy in admiralty.

Moreover, when accidents happen on the gangplank—that "twilight zone" between dock and ship—there will be doubt whether he can seek damages under either admiralty or state law of torts.

In the state of Washington, under a compulsory compensation law, the commission holds that accidents happening **on shore** are compensable, so that the brick-workers would receive compensation for any injury happening on land and it is at least possible that the New York court will reverse itself if the question is again presented.

The boss stevedore would have to carry insurance to protect himself against damages for torts **under state law for accidents happening on shore,** and against damages for torts **under the admiralty law for accidents happening on the ship,** while he would be under the compensation law if he told one of his men to move goods from one place to another on the docks, or to unload a dray. unless the goods were taken immediately on the ship. The contractor or brickyard owner who wants protection must provide compensation for his men while they are on the land job, but would have to carry insurance against damage suits for injuries occurring when they are "maritime workers."

From the workmen's point of view, while employed as a land-laborer, he will be compensated. If he suffers a similar injury when he is a maritime worker, he must seek damages either in admiralty or under state law depending on the exact spot where the accident happened. Yet he may be doing what to him appears to be precisely the same work, in the same town and, as far as he can see, under the same conditions. **For him and for his employer, there is certainly no uniformity at present.**

Is it not a wise solution of the problem to leave these truly local laborers in the hands of the state compensation commissions—at least until Congress is ready to pass a compensation law for all employees in interstate and foreign commerce? There is even doubt if they can be dealt with satisfactorily under such a law. Then the worker will know that he must turn to

his local compensation commission, with whose methods he is familiar, and the employer will be sure that he is protected under his compensation policy. Both will be in the same case as other local workers and employers and their truly local problems can be handled by the state legislature. A single law will cover the worker on the **dock,** no matter what he is doing, on the **gangplank** and on the **vessel,** so that confusing and expensive questions of federal as against state jurisdiction cannot arise.

Congress has recognized the distinction between sailors and other marine workers at its last session, by granting to sailors alone the same right to damages as are given employees in interstate commerce. (Section 20 of the Act of Congress, approved June 5, 1920; Public No. 261; known as the Jones Act.) Longshoremen were not included in this act, nor could they have been effectively included, except so far as they were engaged in interstate or foreign commerce, for Congress could not have prescribed a rule of damages for accidents happening to them while on land, a matter within the jurisdiction of the state. Sailors when injured must be cared for, under an old custom, by the ship, and afterwards in the marine hospital. No such rights are given longshoremen.

Both the legal and the economic aspects of the problems, as it relates to longshoremen and repairmen, clearly point to one solution. With sailors left to a uniform federal statute, thus assuring the required uniformity of law, there is good reason to believe that the United States Supreme Court would uphold a federal statute permitting longshoremen and repairmen to be compensated for injuries as a local matter. **Congress should now meet the emergency resulting from the two recent unfortunate five-to-four decisions of the Supreme Court, denying accident compensation to longshoremen, by promptly enacting a law restoring the protection of state workmen's compensation laws to these essential workers who are engaged in especially hazardous occupations along every waterfront of the country.**

Bill Proposed for Cooperation by All States Under the New Federal Law for the Rehabilitation of Industrial Cripples

By Frederick MacKenzie

ENACTMENT of legislation to provide for cooperation with the federal government in the vocational rehabilitation of industrial cripples is an immediate issue in all but five of the forty-two states whose legislatures will meet during 1921.

Congress has done its part. The Industrial Rehabilitation Act, approved by the President on June 2, 1920, provides the machinery for federal-state cooperation in the reclamation and restoration to useful self-sustaining occupations of persons disabled in industry or otherwise. One by one, with encouraging rapidity, the states have been taking favorable action in recognition of their responsibility toward these unfortunates. But, **at the approaching legislative sessions, a bill must be passed by the states accepting the provisions of the federal act in order to bring to complete success this enlightened development of workmen's compensation.**

The vocational rehabilitation of disabled industrial workers is essentially the state's business. Each commonwealth owes this opportunity to its own citizens who need it. State effort encouraged by federal aid, therefore, is contemplated by the federal law which does not provide for any direct organization or immediate direction of vocational rehabilitation by the federal government or its agents —although calling for federal leadership in the setting of high standards—but it does provide, for a period of four years, substantial financial assistance to the states.

The federal board for vocational education to whom the administration of this work was entrusted by the Industrial Rehabilitation Act is authorized to allot $750,000 this year and for the year ending June 30, 1922, and $1,000,000 for the next two years among the states in proportion to population on condition that each state appropriate an equal amount for vocational rehabilitation. To qualify for its allotment each state must accept this act,

empower its state board for vocational education to cooperate with the federal board, arrange for cooperation between its state board and its workmen's compensation commission, provide for courses of vocational rehabilitation and appoint the state treasurer as custodian of funds. Each state board for vocational rehabilitation must submit its plans to the federal board for approval, open its courses to disabled federal employees and report annually. There is appropriated by the act $75,000 annually for four years to enable the federal board to make studies regarding rehabilitation and replacement of persons disabled in industry and otherwise.

A state, to secure the benefits of such cooperation, must adopt legislation accepting the provisions of the federal act. Five states —New York, Georgia, New Jersey, Nevada and North Carolina —have already done this. In addition nine states—California, Illinois, Massachusetts, Minnesota, Nevada, New York, Pennsylvania, Rhode Island and Virginia—have taken advanced steps toward vocational rehabilitation of industrial cripples, although not as yet having made the necessary legislative provision specifically accepting the federal law.

Recognizing the importance of prompt action by the states, Congress provided in the act that in any state whose legislature does not meet in regular session before December 31, 1920, the provisions of the federal law may be accepted by the governor, such acceptance to be in full effect until sixty days after the legislature has met in regular session. In twenty states—Alabama, Arizona, Arkansas, Delaware, Indiana, Idaho, Iowa, Michigan, Minnesota, Mississippi, Montana, Nebraska, New Mexico, North Dakota, Ohio, Oregon, South Carolina, Tennessee, Texas and West Virginia—the plan is now in force through such action by the governors. Failure of any one of these particular states to pass a bill during the first two months of its next legislative session would be especially unfortunate since it might mean a serious interruption of work already under way.

Many states will undoubtedly find it desirable to supplement this legislation accepting cooperation under the federal act with amendments to existing compensation laws so as, for example, to coordinate them most effectively with the rehabilitation program or to provide special medical care that may be necessary to the physical restoration of the cripples. "Compensation and rehabilitation

legislation," says L. S. Hawkins, assistant director of vocational education of the Federal Board for Vocational Education, "are a part of a program of social legislation, and as such should be complementary and closely co-ordinated, not only in drafting legislation, but in the administration of the same."

The present urgent need, however, is the passage of a bill by every state to make possible at once full cooperation with the national government.

As an aid to prompt legislative action a draft of such a bill is here presented which conforms to the requirements of the federal law for statutory acceptance by the states. This bill brings together the best points of bills drafted independently by the American Association for Labor Legislation and the Federal Board for Vocational Education. It is a tentative suggestion, in brief form, and wherever used as the basis for state action, it will of course be carefully considered by the proper legislative committee with a view to adapting it to local conditions and institutions before it is put on the way to final passage. Following is the complete text of the bill now urged by both of the above organizations:

TENTATIVE DRAFT OF A BILL FOR STATE ACCEPTANCE OF THE FEDERAL INDUSTRIAL REHABILITATION ACT.

An ACT to provide for the acceptance of the benefits of an Act passed by the Senate and House of Representatives of the United States of America in Congress assembled to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise; to provide for the appointment of a custodian of all moneys received by the State from appropriations made by the Congress of the United States for the purpose stated: to provide for the appointment of a state board to cooperate with the Federal Board for Vocational Education in carrying out the provisions of said Act, and prescribe its powers and duties; to provide for a plan of cooperation between such state board and the (here insert the name of the state workmen's compensation board or other state board or department charged with the administration of the state workmen's compensation or liability laws), and to make appropriations to provide for the vocational rehabilitation of persons disabled in industry or otherwise.

SECTION 1. Be it enacted by the Legislature of the State of..... The state of ..... does hereby, through its legislative authority, accept the provisions and benefits of the Act of Congress, entitled "An Act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment," approved June 2, 1920, and will observe and comply with all requirements of such act.

SECTION 2. The state treasurer is hereby designated and appointed custodian of all moneys received by the State from appropriations made by the Congress of the United States for the vocational rehabilitation of persons disabled in industry or otherwise, and is authorized to receive and provide for the proper custody of the same and to make disbursements therefrom upon the order of the State Board herein designated.

SECTION 3. The Board heretofore (designated) (created) as the State Board for Vocational Education to cooperate with the Federal Board for Vocational Education in the administration of the provisions of the Vocational Education Act, approved February 23, 1917, is hereby designated as the state board for the purpose of cooperating with the said Federal Board in carrying out the provisions and purposes of said Federal act providing for the vocational rehabilitation of persons disabled in industry or otherwise and is empowered and directed to cooperate with said Federal Board in the administration of said act of Congress; to prescribe and provide such courses of vocational training as may be necessary to vocationally rehabilitate persons disabled in industry or otherwise and provide for the supervision of such training; to appoint such assistants as may be necessary to administer this act and said act of Congress in this state; to fix the compensation of such assistants and to direct the disbursement and administer the use of all funds provided by the Federal Government of this State for the vocational rehabilitation of such persons.

SECTION 4. It shall be the duty of the State Board empowered to cooperate as aforesaid and the ..... (here insert the name of the state workmen's compensation board or other board, department or agency charged with the administration of the state workmen's compensation or liability laws) to formulate a plan of cooperation in accordance with the provisions of this act and said act of Congress, such plan to become effective when approved by the Governor of the State.

SECTION 5. The state board designated to cooperate as aforesaid in the administration of the Federal Act, is hereby authorized and empowered to receive such gifts and donations, either from public or private sources, as may be offered unconditionally or under such conditions related to the vocational rehabilitation of persons disabled in industry or otherwise as in the judgment of the State Board are proper and consistent with the provisions of this Act. All the moneys received as gifts or donations shall be deposited in the state treasury and shall constitute a permanent fund to be called the special fund for the vocational rehabilitation of disabled persons, to be used by the said Board to defray the expenses of vocational rehabilitation in special cases, including the payment of necessary expenses of persons undergoing training. A full report of all gifts and donations offered and accepted, together with the names of the donors and the respective amounts contributed by each, and all disbursements therefrom shall be submitted annually to the Governor of the State by the State Board.

SECTION 6. There is hereby appropriated for the purposes of this Act, out of any moneys in the Treasury not otherwise appropriated for the fiscal year ending ....., the sum of ..... dollars.

A Tentative Outline for Maternity Protection Legislation

By Irene Osgood Andrews

ALREADY in America five states prohibit the employment of women for a period before and after childbirth but no state has so far provided either medical care, or compensation for the loss of income due to this required rest period.

The International Labor Conference following the trend in practically every European country has recommended the adoption of the twelve week rest period with free medical attendance and with compensation "sufficient for the full and healthy maintenance of herself and her child." For several years the American Association for Labor Legislation has urged medical and cash benefits for all working class mothers through state legislation. The federal bill for the protection of maternity and infancy sponsored by the federal Children's Bureau provides for medical and nursing care only, but applies to all mothers.

State legislation may be expected in Massachusetts and perhaps elsewhere at an early date. Legislative leaders in Massachusetts have already sponsored bills providing medical and cash benefits, and the majority party now in overwhelming control is awaiting the report of its official commission on maternity benefits and has pledged the party "to enact such measures as may be necessary for the protection and care of the mothers of the race and for the conservation of the welfare of the children of today, the citizens of tomorrow."

The following tentative outline, as a basis for state legislation, is designed to meet the recommendations of leading authorities of the world and to stimulate state action which is a necessary complement of the federal bill.

The administration of the maternity protection act should be placed in the hands of the state health officials and since the purpose of the legislation is not to provide charity but to secure to future citizens rights which are for the welfare of the state, it should apply to all expectant mothers who meet the requirements of the administrative authority. The legislation should not discriminate against unmarried mothers since the primary purpose of the measure is the welfare of the child and not the punishment of the mother. In this respect it is well to follow the recommendation

of both the International Labor Office and the federal Children's Bureau.

Provision should be made for the widest dissemination of information on the hygiene of maternity and infancy, and the establishment of maternity centers with medical and nursing care should be authorized. For rural or thinly populated districts traveling clinics may be necessary.

Cash benefits should be paid to gainfully employed mothers for the duration of the required rest period—a provision already in effect in more than a dozen countries. It is only a matter of justice that a working mother who is prohibited by the state from earning wages at this most critical time of her life should be compensated by the state for the loss of her meager income. As the observance of the rest period provision of this legislation depends largely upon the acquiescence of the mother herself it is important that this compensation be provided sufficient for the healthy maintenance of the mother and her child. The necessity for this provision has been recognized by the federal Children's Bureau, which says that "no prohibitory laws are of avail unless it is clear that an adequate income is assured from some other source." Payments should be made directly to the mother herself.

The administrative officials should be authorized to cooperate with both federal and private agencies and to make such rules and regulations as experience under the act shows to be necessary. The family should be protected in its civil and political rights and its identity safeguarded. An adequate appropriation should be provided for carrying out the provisions of the act.

It is believed that a measure of this character will furnish for gainfully employed mothers much-needed care at a critical period, and will greatly reduce the present appalling waste of human life in all groups due to the inexcusable neglect of the problems of maternity and early infancy.

ONE hundred thousand babies under one month old die each year in the United States; another 100,000 are still born; this makes a total of 200,000 infants that are lost to the country each year largely because of the poor physical condition of the mothers during pregnancy or the poor obstetrical service they receive. The control of this waste of life is the chief public health problem of the present day.—Dr. LOUIS I. DUBLIN, *address before American Public Health Association,* 1920.

A Standard Schedule As An Aid to Uniformity in Accident Reporting

By Leonard W. Hatch

TEN years ago when workmen's compensation laws were first coming into effect in the United States, the American Association for Labor Legislation through a special committee made a survey of accident reporting. Analysis of the blanks upon which employers in the various states were then submitting information as required by law, indicated a striking lack of uniformity. It was also discovered that some information was demanded in a form which placed needless burdens upon those who were expected to furnish it. And in some instances questions were asked which could by no possibility lead to any beneficial result.

In the interest of better administration and more valuable statistical results for practical use in compensation rating and accident prevention, the "Standard Schedule for Accident Reports" was then prepared with the active cooperation of administrative officials and others throughout the country.[1] An active campaign was conducted for the adoption of this Standard Schedule, and within three years it was in practical use in states representing more than one-half of the manufacturing population. By 1914 the National Safety Council and the National Workmen's Compensation Service Bureau as well as the United States Bureau of Labor Statistics, had endorsed the Standard Schedule. At that time a few recommended changes were made in the blank then in use for the first report of the injury.

From time to time, on the basis of practical experience, further slight modifications have been proposed, largely in the direction of greater simplicity. In 1920 the matter was taken up anew by the Association's reorganized committee in conjunction with a special committee created by the association of industrial accident boards of the whole country.

After a few minor changes in the former schedule a form has been agreed upon which it is believed will stand every test. The latest changes consist largely in a re-arrangement of the questions on the blank to facilitate the work of reporting, four further ques-

[1] See *American Labor Legislation Review*, Vol. IV, No. 4, December 1914, page 557.

tions have been dropped and, interestingly enough, two questions which were on the blank as originally drawn by the Association for Labor Legislation, but later omitted, have now been re-instated.

A copy of the latest draft of the blank for the first report of the injury is printed below, and the Association's committee will urge its adoption in all states.

STANDARD FORM FOR ACCIDENT REPORT

First Report of Accident to Employee.

[To be filled out and sent in within 48 hours of the accident.]

1. Employer.	a. Employer's name..... b. Office address: Street and No.....; city or village..... c. Business (goods produced, work done, or kind of trade or transportation)..... d. Location of plant or place of work where accident occurred, if not at office address: Street and No.....; city or village..... e. Name of insurance carrier.....
2. Injured person.	a. Date on which accident occurred..... b. Working hours per day.....; c. Working days per week..... d. Piece or time worker?.....; e. Wages or average earnings per day.....; per week..... f. Name.....; address..... g. Sex.....; h. Age..... i. Occupation when injured.....; in what department or branch of work?.....; was this regular occupation?.....; if not, state regular occupation.....
3. Cause of injury.	a. Describe in full how accident happened..... .... b. Name of machine, tool, or appliance in connection with which accident occurred.....; by what kind of power driven?.....; hand feed or mechanical feed?.....; part on which accident occurred .....
4. Nature and extent of injury.	a. State exactly part of person injured and nature of injury ..... b. Did injury cause loss of any member or part of a member? If so, describe exactly..... c. Has injured person returned to work?.....; if so, give date and hour..... d. Date disability began.....
5. Medical care.	a. Attending physician; name and address..... ..... b. Hospital; name and address..... .....

Date of report.....; made out by.....

Old Age Insurance Legislation Now Up to the States

By Frederick MacKenzie

OLD age insurance legislation in the United States has reached high-water mark in the law, enacted in 1920 after years of agitation, establishing compulsory contributory old age and invalidity insurance for the federal government's half million employees in the classified civil service.

Adoption by Congress of this advanced measure of social insurance has given added impetus to the movement for old age insurance legislation by the states for workers in both public and private employments. States and municipalities are now awakening to the need of legislative safeguards against old age dependency.

By 1920 official commissions had been appointed in a half-dozen states to study the old age problem among wage earners, with a view to legislation. In two states—Pennsylvania and Ohio—especially illuminating data were gathered which agree that conditions are serious (nearly one-half of the population of Pennsylvania aged fifty and over having no means of support other than their own earnings); that private charity and public almshouses have proved futile to combat dependency due to old age, and that comprehensive social measures are needed. And the Illinois pension laws commission has proposed a Standard Plan for placing upon a sound financial basis existing and future pension plans for public employees, which contemplates compulsory contributions from employees and the employing authority, so as to provide annuities, survivors' annuities, disability and sickness benefits. Arizona and Alaska have enacted laws for old age pensions to all persons possessing certain moral, economic, or civil qualifications.

Meanwhile, during 1920, several states extended legislative provisions for retirement payments to old employees in state, county and municipal service. New York, in particular, enacted a law providing comprehensive old age retirement and disability insurance for employees in the public service of New York City, and created a compulsory system for state employees. This action is

second in significance only to the adoption of the national old age insurance act.

But this is merely a beginning. "Strange as it may seem," declares a leading American authority, "the United States is the only great industrial nation in the civilized world that has not already attempted a practical and permanent solution of this problem of old age and dependency."

Failure of this country to provide such protection to its industrial citizens at the close of their lives of productive work is the more conspicuous in light of the adoption of old age insurance and pension legislation in no less than thirteen European countries, in addition to New Zealand and Australia. World-wide recognition of social responsibility for protecting old age against pauperism is found in the program of protective measures to be considered at the third meeting of the International Labor Conference of the League of Nations in Geneva, April 4, 1921. The trend of new legislation of this kind recently enacted in several European countries is strikingly toward compulsory old age pensions. In Italy, for instance, dissatisfaction with the plan of state-subsidized voluntary old age insurance and the insistent demands of workers and employers led to the adoption in 1919 of a compulsory system.

Scattering efforts have been made in the United States to meet this problem through pensions for public servants such as policemen, firemen and teachers; through private industrial establishment pension funds as in the transportation industry; and through fraternal and trade union funds for voluntary old age and invalidity insurance. Such attempts, however, have proven wholly inadequate. Out of about one hundred and twenty existing national labor organizations in America only four are known to pay a superannuation benefit. Significantly, the largest trade union in America —the United Mine Workers—has a committee actively at work to promote the enactment of old age assistance laws by the states.

With legislative sessions during 1921 in nearly all states, the opportunity is at hand to bring America immediately abreast of the enlightened standards and experience of other great industrial nations. Bills must be passed in all the states before the United States can be said to have met its duty to those who have grown gray in the service of the public and of industry.

One Day of Rest in Seven for District of Columbia Workers

CONGRESS, as the maker of laws for the District of Columbia, is now called upon to abolish, in the domain which includes the nation's capital, the inhuman practice of seven-day-a-week labor in factories and mercantile establishments. A bill (Calder bill, S. 4488) has been introduced for passage at the session beginning in December which conforms to the Standard One Day Rest in Seven Bill (see next page) prepared by a special committee of the American Association for Labor Legislation for introduction in all states and already enacted into law in Massachusetts, New York and Wisconsin.[1]

This measure is purposely limited in scope to those industries where for the time being there is the greatest hope of effective enforcement of the law. It is based upon a new principle—**a law that will forbid an employer to work his employees seven days a week, and yet permit an industry necessarily or desirably continuous to operate seven days a week.** It recognizes that we must and can have continuous industries, but that we cannot and must not try to have continuous men and women.

Experience has shown that seven-day labor tends to undermine the health, warp the minds and debase the morals of workers who are subjected to it. It constitutes a social danger. Other industrial nations—including almost all the leading European countries—have, since 1905, enacted enforceable rest day measures. Even under stress of the World War Premier Lloyd George was forced to urge British munition workers to abolish Sunday work, as the loss of a complete day of rest, resulting in cumulative fatigue, tended to reduce rather than increase the output. But in America favorable action along scientific, practicable lines has been taken thus far in only three states.

Prompt enactment of an effective one day rest in seven law by Congress for the District of Columbia will contribute much toward improving the working conditions of those citizens who must look exclusively to national legislation for necessary protection. It will give statutory expression to more enlightened standards of labor than those still prevalent for hundreds of thousands of " continuous " workers who are forced to toil week in, week out, without respite, in, for example, transportation, hotels and restaurants, certain classes

[1] See article on " Progress in One Day Rest in Seven Legislation," by Solon De Leon, in *American Labor Legislation Review,* Vol. X, No. 2, June, 1920, pp. 129-130.

of publishing and merchandising, and—notoriously—the steel industry. It will, moreover, provide an impetus to the adoption of this legislation in all states.

STANDARD BILL FOR ONE DAY OF REST IN SEVEN

AN ACT to promote the public health by providing for one day of rest in seven for employees in certain employments.

Be it enacted, etc., as follows:

SECTION 1. *Scope of the Act.*

Every employer of labor, whether a person, partnership or corporation, engaged in carrying on any factory or mercantile establishment in this State, shall allow every person, except those specified in Section 2, employed in such factory or mercantile establishment, at least twenty-four consecutive hours of rest in every seven consecutive days. No employer shall operate any such factory or mercantile establishment on Sunday, unless he shall have complied with Section 3. Provided, however, that this act shall not authorize any work on Sunday not now authorized by law.

SECTION 2. *Exceptions.*

This act shall not apply to

(1) Janitors;

(2) Watchmen;

(3) Employees whose duties include not more than three hours' work on Sunday in (*a*) setting sponges in bakeries; (*b*) caring for live animals; (*c*) maintaining fires; (*d*) necessary repairs to boilers or machinery;

(4) Superintendents or foremen in charge;

(5) Employees in dairies, creameries, milk condensaries, milk powder factories, milk sugar factories, milk shipping stations, butter and cheese factories, ice cream manufacturing plants and milk bottling plants, where not more than seven persons are employed.

SECTION 3. *Schedule for Sunday Workers.*

Before operating on Sunday, every employer shall post in a conspicuous place on the premises a schedule containing a list of his employees who are required or allowed to work on Sunday and designating the day of rest for each, and shall file a copy of such schedule with the (Commissioner of Labor). The employer shall promptly file with the said (Commissioner) a copy of every change in such schedule. No employee shall be required or allowed to work on the day of rest so designated for him.

SECTION 4. *Time Book.*

Every employer shall keep a time book showing the names and addresses of all employees and the hours worked by each of them in each day, and such time book shall be open to inspection by the (Commissioner of labor).

SECTION 5. *Penalty.*

Every employer who violates the provisions of this act, or any of them, shall be liable to the State for a penalty of————————dollars for each offense, recoverable by civil action by the (Commissioner of Labor).

SECTION 6. *Time of Taking Effect.*

This act shall take effect on the first day of————, 19—.

State Industrial Accident Insurance Officially Acclaimed

By Irene Sylvester Chubb

AT the recent convention of the International Association of Industrial Accident Boards and Commissions a session was devoted to the subject of workmen's compensation costs, discussion centering around the relative service, security and cost under commercial, mutual and state fund insurance. From the point of view of employers, the security of the insurer is important to give sure relief from responsibility, the accident-prevention service given is desirable for its protection against injuries and suffering as well as for its reduction of premiums, and economy in the insurer's administrative and other overhead costs is directly reflected in lower premium rates. From the workmen's point of view, security of payment is urgent unless compensation laws are to lapse into vain mockery, an effective accident prevention service is fundamental to the extent that prevention is better than cure, and economy in overhead insurance costs brings indirect but no less real benefits in that it softens employers' opposition to the adoption of a more liberal scale of compensation. From these various aspects the problems of insurance were considered and the weight of opinion as expressed by official commissioners—insofar as advance printed copies of their papers have been available—are overwhelmingly in favor of state funds.

Especially noteworthy is the opinion of E. H. Downey, of the Pennsylvania Insurance Department, where there is a competitive state fund:

> The expenses and profits of stock companies, after deducting taxes, will average, over a period of years, about 35 per cent of premiums, or 60 per cent of benefits. The corresponding expense ratio of reputable mutual companies varies from 15 to 20 per cent of premiums or from 25 to 33 1/3 per cent of benefits, and the management expenses of state funds range from 5 to 15 per cent of premiums and from 6 to 25 per cent of benefits. Stated in other terms, **the overhead cost of carrying $1 in compensation benefits is about 60 cents by the stock company plan, 25 or 30 cents by the mutual insurance plan, and something less than 10 cents by the plan of compulsory state insurance.** * * * It does not

appear, however, from any evidence in hand that the private insurance companies are more liberal in the settlement of compensation claims or more prompt in the making of payments thereon or more secure against ultimate insolvency than the compulsory state funds.

Similar advantages in cost are reported by C. W. Fellows, manager of the State Compensation Insurance Fund of California, also competitive:

> The state compensation insurance fund of California is today carrying 40 per cent of the insured compensation business of the state. * * * It maintains its own safety-inspection organization, and its service in that department is equally as good if not superior to the best maintained by any competitor. * * * It has no natural advantages over competitors in the matter of expense which are not more than offset by disadvantages. Despite this, **its total overhead for the calendar year ending December 31, 1919, amounted to only 10.64 per cent of premiums earned, or less than one-third the average overhead of corporate companies.**

Of the Oregon exclusive state fund William A. Marshall, chairman of the Oregon Industrial Accident Commission, said:

> Employers and workmen are coming to realize that under the exclusive state fund method of handling workmen's compensation insurance (1) there is no element of profit, and therefore no incentive to discourage just claims or to be illiberal in making awards; (2) that **the elimination of the economic waste of agents' commissions benefits both employers and workmen**; and (3) where representatives of employers and workmen have opportunity, through conference committees, as is now the practice in our state, to determine what changes or improvements are to be made from time to time in the compensation law, it provides a splendid field of mutual interest, not only as to details of the compensation law, but also in the other important field of accident prevention.

All but three of the Canadian compensation laws have established exclusive state funds. The conclusions of F. W. Armstrong, vice-chairman of the Nova Scotia Compensation Board, may be taken as representative of Canadian opinion:

> The expenses of stock companies are about 40 per cent of their income and state fund expenses do not usually exceed 7½ per cent. * * * **We know that stock companies have failed to make payments to workmen and their dependents. In some cases the employers have had to pay. In others the state made good the amount due. In others the loss fell upon the workman or his widow and children.** * * *
>
> The benefits of an exclusive state fund are:
>
> (1) There is security to the workman.

(2) There is security to the employer when he has paid his assessments to the state fund.

(3) There is better feeling between employer and workman, because the state fund assumes the payment of compensation.

(4) The industries of the state benefit by only paying a maximum of about eight cents to get one dollar to the workman, against sixty-six and two-thirds cents by stock companies.

(5) The state benefits, because it will never be called upon to make good payments which should have been made by stock companies.

(6) The employer is better satisfied, because he knows that every dollar which he pays in assessments is to be used to pay claims and legitimate expenses, which will not likely exceed 7½ per cent.

(7) The employee is better satisfied, because he feels that his payments are in the hands of a board who have every reason to deal fairly with him.

Taking everything into consideration, can we come to any other conclusion but that the exclusive state fund must be the permanent system?

The criteria by which state funds were measured by these official commissioners—service, security and cost—are not put forward as visionary theories, but as the tests which appeal to hard-headed business men because familiar to them in the work-a-day commercial world. Applying these tests the commissioners found not only that state workmen's compensation insurance funds have stood the practical ordeal of functioning to the satisfaction both of their beneficiaries—injured workmen and dependents—and of their clients —corporations and business men, but that measured by all three tests, the record of state workmen's compensation insurance has been highly creditable in comparison with commercial casualty company insurance.

Engineers and Industrial Progress

By Samuel Gompers

(Address before the American Society of Mechanical Engineers, 1920)

THE name engineer makes a very strong appeal to one who appreciates the mechanism underlying the fabric of our civilization. Engineers are scouts of civilization. We send them ahead into the lone places—the wilderness, the jungles, the great watery expanse, to build the highways necessary for civilized man. The engineers must deal with nature, with that mysterious dynamic thing we call "force", with materials. It is their function to direct the human activity necessary to coordinate these forces and materials in order to make them serve the needs and aspirations of men.

Because of my high conception of the engineering profession I was glad to accept your invitation to address the American Society of Mechanical Engineers to voice my understanding of the possibilities of your work as engineers of industry, and to suggest what seems to me the responsibility of the engineer to the whole modern industrial system.

One of the difficulties that arises nowadays about our discussion of responsibility is that we fail to realize that professional men, whether doctors, lawyers or engineers, should all be in a very real sense agents of society and not merely masters in their own particular professions.

We are beginning to realize that just as no nation is isolated from the family of nations, so is it equally true that individually we cannot be isolated from our professions. Every man in his actions influences, in a greater or less degree, other groups or individuals, either for good or evil.

During the past few months engineers have expressed their sense of responsibility in a splendidly stimulating way. In order to accomplish better their purpose of service to others and to contribute to public welfare the best that was in them, all the engineering and technical societies of the United States banded themselves together in a great over-arching organization designated as the Federated American Engineering Societies—a comprehensive organization dedicated to the service of the community, state and nation. This close union makes possible coordination of effort and more efficient progress in achievement of great ideals.

But declarations are not deeds. Fortunately evidences are not lacking that engineers are seriously seeking to realize the ideals they have formulated. During the past year representatives of engineering organizations as well as individual engineers have come to me, seeking help in getting a better understanding of the human element essential to production and in establishing the proper basis for cooperation with the constructive force which they had come to realize exists in the organizations of human beings engaged in industrial production. For the engineer knows that organization is necessary in order to utilize power—human or material.

It is a tremendously encouraging fact that the engineers throughout the country are coming to appreciate their high calling. It is unnecessary for me to review the mechanical achievements of the engineer for they speak for themselves, but I do want to point out a concept which has grown up in industry, which many accept, that is fundamentally in error. We talk about the production of our factories as being the material, the finished product, in other words, which is sent out in freight cars, and of the individual workman as by-products. Men, not things are the true goal of civilization. That civilization fails that does not produce great men and great women, able to create and to use with discernment the material things that serve the spirit. Who can estimate the worth of human beings? I submit that the true ethical point of view of production is that the man himself is the main product and the materials the by-products, and it is in this clearer point of view, it seems to me, the way lies open for joining the forces which the labor movement represents and the forces represented by the activities of your own societies.

The problem involved is not a simple one, for the tendency during the last seventy-five or one hundred years of our western civilization has been to have the machine replace the man. The old feeling of craftsmanship, which existed before the industrial revolution came about, has been greatly modified because of the perfection reached in machine design. This purpose, however, has been carried entirely too far, for in many places the man has become a human connecting link in a machine and mastered by it instead of controlling the machine himself, as he did with the tools he used in the old days. The result is that today men's work tends to become mere toil, so it seems to me that the task which lies before us is to develop a definite kind of working environment which will be attractive and which will inspire rather than repulse workmen. The work itself must become of central concern. This cannot be brought

about unless the man finds the opportunity for self expression in the day's work and a chance to exercise his creative impulses.

During the past fifty years the labor movement has endeavored to protect the workman against the inroads of the machine upon his own life. Our fundamental effort toward this end we epitomized in this declaration: **The labor of a human being is not a commodity or article of commerce.** We knew that human labor is inseparable from thinking, living beings, but it took the organized power of our labor organizations to secure a recognition of this principle in law and in practice. Workmen's compensation laws and other legislation of a similar nature are a recognition of this fundamental.

I see, however, before the labor movement a great future, as I also see a great future before the engineering profession. If the engineer should join hands with the workman—both devoting their energies to one cause, namely the development of a kind of industry and a kind of work in which the man will not only learn the processes of production—each day will have increasing opportunities to develop those human functions which are essentially intelligent.

A way has been opened for such cooperation in the declaration of the conventions of the American Federation of Labor, expressing appreciation of the value of the technicians of industry and the desirability of the labor movement's availing itself of scientific aid in all possible ways.

In America our education has been both popular and free. We have had compulsory education for all because we wanted to be sure that all would be prepared for the duties of citizenship. Education, however, is nothing more than the acquiring of greater knowledge of natural law and an opportunity to use this knowledge in the performance of useful work. Is it not logical, therefore, to look forward to the day when our industries will be conducted along educational lines?

It is the deadly monotony of repetitive work that is at the root of most of our troubles and I, therefore, in the name of the workers, urge upon you engineers to direct your energies to the solution of this problem. Beware that the machines you create do not become a Frankenstein and enslave the human race.

If you study the laws of humanity with the same degree of intensity that you study the laws of material science, you will render a tremendous service and, as president of the American Federation of Labor, it is my firm conviction that the labor movement not only welcomes but invites your cooperation.

The Long Day: Does It Pay?

"TEN years ago the Steel Corporation and all steel companies were under fire because of Sunday work, the seven-day week, the possible 365-day year, chiefly the work on the largest single department of a steel plant, the blast furnace."

This, from the recent Interchurch World Movement report on "The Steel Strike of 1919" recalls the earlier report of the United States Bureau of Labor Statistics on the iron and steel industry in 1912 which showed that at that time "more than 15 per cent of the employees in the industry as a whole and more than 50 per cent of the blast furnace workmen" were "on a regular schedule of seven days a week, with a long term of eighteen or twenty-four hours at the change of shift."

The present report by the Churches' commission of inquiry continues:

"During the strike the Steel Corporation flatly asserted that that condition had been reformed before the war and that although the seven-day week was resumed during the war it was quite done away with by 1919. The president of the Carnegie Steel Company and of the Illinois Steel Company, corporation subsidiaries, assured this commission that "seven-day work is all done away with," or where it persists, as it must in the blast furnace department, that "the seven-day week work is a thing of the past;" that is, that blast furnace employees get one day off in seven. Mr. Gary testified before the Senate Committee: 'We decided to eliminate the seven-day week if we possibly could and we practically eliminated it.'"

But, despite such professions, the investigation disclosed that "since 1910 the steel corporation has increased the percentage of its twelve-hour workers" until at the present time——

"Approximately half of the employees in iron and steel manufacturing plants are subjected to the schedule known as the twelve-hour day (that is a working day from eleven to fourteen hours long).

"Approximately one-half of these in turn were subjected to the seven-day week.

"Less than one-quarter of the industry's employees can work

under sixty hours a week 'although in most industries sixty hours was regarded as a maximum working week' ten years ago."

And, the Churches' report adds:

"It must be clearly known that the twelve-hour day schedules are compulsory. The Steel Corporation's 'basic eight-hour day' is a method of paying wages and in no way concerns hours. The twelve-hour day workman cannot knock off at the end of eight hours, if he wants to retain his employment. Neither can he escape the eighteen or twenty-four hour 'turn,' usually every fortnight, which goes with most of the twelve-hour day schedules. He can 'take it or leave it' but he cannot bargain over his job's hours."

These working hours, the investigation shows, were "a prime fact in explaining the strike." Conditions in the steel industry "gave the workers just cause for complaint and action."

Significantly, the menace of long hours so conspicuously exemplified in the powerful steel industry is now meeting with a swelling chorus of condemnation not alone from economists, social service workers, labor and a few enlightened employers, as in the past, but also from leading minds in engineering—from executives who are demonstrating, in both human and material terms, that the long day does not pay.

Of especial interest in this connection and at this time are the following declarations, all made within the past two months, by four distinguished authorities on working hours in continuous processes and their bearing upon production as well as upon industrial relations:

"THAT RELIC OF BARBARISM"

By William B. Dickson

IT is unthinkable that there should be any backward step in our industrial progress. No sane man would propose to solve this problem by reverting to the old conditions. Our shoes, clothing, and all other products essential to our present civilization will have to be made more and more by highly specialized automatic machinery. But if I am justified in my premises, there is a human problem which must be faced; and in my opinion it is a problem in the solving of which lies the question of the survival of our democratic ideals. * * *

Efficiency in all lines of human endeavor is greatly to be desired, yet I fear that we are at present in danger of making a fetich of efficiency to such an extent as to endanger human freedom. * * *

We must now set our minds to the task of applying democratic principles to industrial relations.

I believe there is a grave menace to our American ideals in the highly centralized, autocratic control which is becoming a marked tendency in our great industries. * * *

Some years ago, a gentleman at the head of one of our great corporations decided that prices must be maintained in the face of a diminishing demand. In order to accomplish his purposes he restricted production by shutting down a number of large plants located in different communities, each of which had been built up largely as an adjunct of the plant.

Some of these plants were kept closed for about a year, and the result was disaster to the communities. The merchants were driven out of business, real estate values were depreciated, and the workers were thrown on their own resources and had to break up their homes and seek employment elsewhere. None of these persons had any voice in the momentous decision, which was made in a New York office and which resulted in social paralysis in all of these communities.

This last summer the president of one of the largest textile companies suddenly announced that his mills would close for an indefinite period, and they were closed in the same arbitrary, autocratic manner as above described. * * *

What do I mean by industrial democracy? It is exceedingly important that there be no confusion as to this definition. Mr. Carnegie was once asked, "Which is the most important factor in your business—capital, management, or labor?" He replied, "Which is the most important leg on a three-legged stool?"

This answer epitomizes my theme and also what I believe will be the creed of the twentieth century.

In an efficient partnership, such as Mr. Carnegie's answer implied, while each partner may have equal rights, the duties and responsibilities are usually separated, so that each exercises his principal functions within his own limited sphere. But where grave questions are to be considered, which vitally affect the organization as a whole, there is general consultation.

So in the new ideal of industrialism each factor, *i. e.*, capital, management, and labor, will continue to have its own separate natural function, as heretofore, but no arbitrary, autocratic decisions affecting the general welfare will be made, either by the directors, the officials, or by the workmen.

Some of you may ask, "Did Mr. Carnegie follow this ideal in practice?" My answer is "No." He did give a larger measure of recognition to management than most of his fellow manufacturers; but in his attitude toward labor he was merely a signpost pointing the right way but never taking it.

The Carnegie labor policy was highly autocratic, as is that of its successor, the United States Steel Corporation; a benevolent autocracy, if you please, in many splendid ways, although it still maintains that relic of barbarism, the twelve-hour day. But however large you write the word "benevolent" you must always write after it the word "autocracy."

The autocratic policy of this great industrial corporation is diametrically opposed to American ideals, and if it and similar organizations in other indus-

tries continue to grow and to maintain this autocratic attitude there can only be one result—industrial feudalism; feudalism with a high degree of comfort and safety for the worker, I grant you, but none the less feudalism.—*Extracts from an address before the American Society of Mechanical Engineers at its recent 40th Anniversary Meeting.*

"TRANSGRESSING TO A POINT OF INHUMANITY"

By Herbert Hoover

WE have built up our civilization, political, social, and economic, on the foundation of individualism. We have found in the course of development of large industry upon this system that individual initiative might be destroyed by allowing concentration of industry and service and thus an economic domination of groups over the whole.

We have therefore built up public agencies intended to preserve an equality of opportunity through control of possible economic domination. Our mass of regulation of public utilities and of many other types of industry, aiming chiefly to prevent combination in any restraint of free enterprise, is a monument to our attempt to limit this economic domination to give a square deal. * * *

In the elimination of the great waste and misery of intermittent employment and unemployment we need at once coordination in economic groups. For example, our engineers have pointed time and again to the bituminous coal industry, where the bad economic functioning of that industry results in an average of but 180 days of employment per annum, where a great measure of solution could be had if a basis of cooperation could be found among the coal operators, the coal miners, the railways, and the great consumers. The combined result would be a higher standard of living for the employee, a reduced risk to the operator, and fundamental expansion of economic life by cheaper fuel. * * *

In help against the misery in the great field of seasonal and other unemployment we indeed need an expansion and better organization of our local and federal labor exchanges. We have a vast amount of industry, seasonal in character, which must shift its labor complement to other industries. The individual worker is helpless to find the contacts necessary to make this shift unless the machinery for this purpose is provided for him. * * *

There are questions in connection with this entire problem of employer and employee relationship both in its aspects of increased production and in its aspects of wasteful unemployment that deserve most careful study by our engineers.

There lies at the heart of all this question the great human conception that this is a community working for the benefit of its human members, not for the benefit of its machines or to aggrandize individuals; that **if we would build up character and abilities and standard of living in our people we must have regard to their leisure for citizenship, for recreation, for family life.** These considerations, together with protection

against strain, must be the fundamentals of determination of hours of labor.

These factors being first protected, the maximum production of the country should become the dominating purpose. The precise hours of labor should and will vary with the varying conditions of trades and establishments, but the proper determination of hours based upon these factors is an immediate field demanding attention of engineers.

There is no greater economic fallacy than the doctrine that to decrease the hours below these primary considerations makes for employment of greater numbers, and it is an equal certainty that the eighty-four-hour week of some employments transgresses these fundamentals to a point of inhumanity.—*Extracts from presidential address before the Federated American Engineering Societies, at Washington, November* 19, 1920.

SHORTER HOURS MEAN INCREASED OUTPUT AND BETTER QUALITY

By Robert B. Wolf

IN talking on the technique of changing from a two-shift to a three-shift day in a continuous process industry, I am assuming that the members of the Philadelphia Engineers' Club are interested in actual experiences and prefer to more or less draw their own conclusions, based upon the facts presented. I will, therefore, start my talk by showing figures and charts in three plants, which I changed over from a two-shift basis to a three-shift basis. * * *

We actually increased the production of one pulp mill from 42,000 tons to 111,000 tons per year, in seven years' time, without adding to the equipment a single digester for cooking the pulp; in other words, **the production was increased 2.9 times.** I am not claiming that this increase in production was due entirely to the change from two to three shifts, but I do know that we would not have been able to reach anywhere near this figure if we had continued to operate on the two-shift basis. **Furthermore our quality changed during this period from the poorest pulp manufactured to the very best.** Our keenest competition had always been from Europe, largely because of the fact that European quality was very much better than our own. Our men, however, were not constantly tired out, but mentally alert, because of the reasonable hours that they worked, so that we were able to eliminate European competition entirely and our pulp invariably obtained the preference because it was cleaner, stronger and better in color. In Europe, at that time, the mills were all on a two-shift basis.

Right at this point, it might be well to mention the fact that we doubled the number of our employees while the production was being trebled, but this increase was largely because of the fact that in the development of the new processes, which made for greater economy in the use of materials, we needed a larger working force. The net result, however, was **a reduction in the actual cost of manufacturing the pulp** (in spite of the increase in the cost of raw materials) of from $5 to $6 per ton, with the equivalent of an

additional reduction in the value of our by-products of approximately $2.00 per ton. * * *

The man who managed mill No. 3 during the time that this change took place wrote me as follows:

> **"You, of course, are familiar with the difference in spirit that permeated our organization after we changed to three shifts. The men were wide-awake, energetic and on their toes, and interested in their work. While on the old basis they lacked enthusiasm and had a tendency to neglect things and sleep on the job. Much of the increased production, in my judgment, came from the change to the three-shift basis."**

This interpretation has, to some extent, been given in explanation of the actual illustrations. Three generalizations, however, can be made from these experiences, which I will summarize as follows:

1.—That there is a limit to the physical endurance of men and that there is a time beyond which nothing further is gained by prolonging the hours. Our experience has been that **eight hours constitutes a proper day's work,** that even in the case of our day workers more work was actually accomplished in eight hours than in a nine- or ten-hour day.

2.—It is equally true that men are not mentally alert when physically fatigued. **Mental alertness is absolutely essential to a good quality of product,** and our experience has been that invariably when the obstacles to uniform quality are removed the obstructions to increased output are also removed.

3.—As maximum quantity and quality cannot be obtained when the workmen are tired out, so is it impossible to operate economically unless the hours are short enough to permit a proper amount of relaxation outside of the plant. It is so obviously true that good quantity and good quality make for economy of operation that it seems hardly necessary to make this final generalization. I am making it merely because **we demonstrated to be a fact that it is more economical to operate a plant on a three-shift basis than on two.** * * *

The paper manufacturers' experience with three shifts has convinced them that it is unquestionably a much more economical operation, from every point of view, than the two-shift method. They have learned that tired men do not make good workmen. It logically follows that wherever men are working seven days each week a way must be provided so that they have one day off. * * *

The advantages given to promote employees to better positions are obvious and the better spirit which soon develops quickly offsets the small temporary losses occasioned by the change. I cannot help making the observation right here that **with the present curtailment in industry all over the country, the time is ideal for putting all two-shift industries on a three-shift basis.** * * *

Finally, a third period of eight hours' rest,— it may not be actual sleep, but complete relaxation—is necessary, otherwise man would so deplete his vitality that he would wear out before his time.

The logical division of the day, it seems to me, is eight hours of work, eight hours of recreation and eight hours of sleep. In any case, my experience of twenty-two or twenty-three years in a continuous process industry has demonstrated to me that this grouping produces the best results from the standpoint of increased production, better quality and decreased cost. Finally, let me state that the result of our experience in humanizing work in the pulp and paper industry has been to make us realize that after all, industry is for service, rather than for profit. We were obliged to render a greater service to our customers, by making a better product; to obtain the better product we had to serve our men, by thinking of their human needs and cease classing them with our raw materials.

It is the creative power of man which must be enlisted in the service and this is a mental and not a physical thing.

It is the deadly monotony of repetitive work that is the curse of modern industry and unless this is changed (as we are successfully changing it in the pulp and paper industry) we can look forward to continued agitation for shorter and shorter hours. Even eight hours will not satisfy.

One of the great troubles with the business man today is that he is confusing cause and effect. It is because we are thinking only in terms of profits, which are the effect of service, that we are automatically cutting off the service, which is the cause of the profit. The service, however, must not only be to the customer, but also to the employee.

An industry which renders service to society is bound to be rewarded by society, and, therefore, cannot help being a profitable business.

A tremendous responsibility rests upon the Engineer because he is perhaps more conscious of the operation of the law of cause and effect than any other of our professional men.—*Extracts from address before the Engineers' Club of Philadelphia, October* 19, 1920.

SHORTER HOURS MEAN INCREASED SERVICE

By Ida M. Tarbell

TAKE this matter of the long day, the twelve-hour shift, that not only leaves a man "dead tired," but keeps him from his fellows, from town activities, from an opportunity to enjoy even his wife and children. * * *

For some twenty years now engineers have been experimenting on this problem. For many of them it is a settled question. Arthur Jones of New York declared not long ago at a meeting of distinguished engineers that, in his judgment, the subject was as dead an issue as the Volstead act; that **the advantages of a three-shift over a two-shift day are no more to be disputed than the conclusions of a Euclid theorem.** Now, what are the experiences that had so convinced Mr. Jones?

Some half dozen years ago he took hold of a heavy chemical factory in Bayonne, N. J. His problem was to reorganize it on modern methods; make it more productive, if possible. The plant had a dozen different departments, and all classes of labor, from unskilled to expert artisans, 68 per cent of whom were foreign-born.

Bayonne is a large industrial centre, with most of its industries continuous. There was not a plant in the place on an eight-hour basis; everybody worked twelve hours. Convinced that he could not get the quality of service that he needed in his reorganized plant from a man who worked twelve hours, he took a department at a time; and beginning with an educational campaign at the top, with the heads, he gradually transferred one department after another to an eight-hour basis, with the result that as fast as a department was transferred its production so ran ahead that men actually had to be taken off and put into other departments in order to balance the output.

There is a bulk of similar experiences on the part of many distinguished engineers. Analyze it and you find it answers all of the stock objections to the transfer from the two to the three shifts.

There is, first of all, the objection, "We can't afford it. It will cost more." But what does the experience of the engineers show? That invariably, when time has been taken and the transfer has been made thoughtfully and scientifically, it not only did not cost more, but it actually paid.

So eminent and far-seeing a consulting engineer as Morris L. Cooke has declared:

"It is a simple problem in arithmetic to show that a twelve-hour working day plus the time required to go to and from work plus time properly taken for eating and sleeping, leaves too little margin for the home life and recreation implied in American citizenship. We engineers are accepting this problem and without resort to anything but the engineering method we propose to demonstrate to the community through the experience of forward-looking men in one industry after another that the long, two-shift day is wasteful from whatever angle it is viewed, or rather that the three-shift day, with its shorter hours and its conservation of men and material, is a paying proposition."

I saw Harrington Emerson write on a blackboard not long ago the statistical results of an effort of his in transferring a continuous process industry from twelve to eight hours. The table stood as follows:

	Per cent.
Reduction in hours	33 1-3
Increase in wages	15
Increase in production	37
Decrease in cost	15

Certainly that looks as if this paid—to men and plant.

Material for similar tables was exhibited on this same blackboard at the same time by Robert Wolf, who for sixteen years has been proving his faith in the shorter day when it is handled with a science which is broad enough to take in men and their psychology. He shows such conclusive results, as far as cost is concerned, as **a plant whose production was nearly trebled by going on the eight-hour shift, and this with an increase of only little more than 22 per cent in the labor force.** This is a point to note, because one of the stock objections by the school of "It can't be done," is that the change from twelve to eight hours always requires at least 50 per cent more workers.

This is but one of a number of similar experiences of Mr. Wolf. That is, **wherever you find an engineer who has revolutionized the hours in a continuous process factory, he will prove to you by figures that it does pay.**

But there are other objections to consider. There are the men. How about them?

If the first objection to the transfer from a two-shift to a three-shift day in a continuous process industry is always, "We can't afford it. It will cost too much," the second is almost sure to be, "The men don't want it."

Certainly, they don't want it if it means that their wages are to be cut; * * *

Examine the work of the engineers who have made these transfers from the long to the short shift successfully, and invariably you will find that not only have the wages not been decreased, but not infrequently they have been increased automatically through the increased efficiency of the men. **The men themselves watching results are not slow to see that economically there is in this scientific procedure an actual advantage from a money point of view as well as from the point of view of general welfare.** * * *

An instant reaction in the mind of the average American manufacturer to the suggestion of more leisure for the working man, with as much or even more pay, is an alarm lest it open the door wider to foreign competition.

Nothing seems to be more difficult to get into the mind of industry than that efficiency follows well-being. The superior productivity of the highly paid, scientifically directed American workman as compared with lower paid, arbitrarily directed foreign labor has been demonstrated again and again. Fear of foreign competition has been reduced or even cut out entirely in factories in this country under a careful reorganization, a feature of which was the shorter shift. * * *

As a matter of fact, there is not a conventional objection which has been urged against the shorter shift which has not been proved groundless in a variety of continuous process industries which have been long operated on a two-shift basis, industries in which even the men themselves who had suffered most from the arrangement had stoically said, "It could not be helped." * * *

What it all amounts to is that we have already, thanks to the engineering profession, a body of experience on the economic as well as social value of the three-shift day in a continuous process industry that no intelligent man of open mind can gainsay. It is a bulk of experience which is bound to grow larger as time goes on and finally to wipe out in this country one of the most uneconomical, wasteful and inhuman processes of which industry has been guilty.—*Extracts from an article in New York* Evening Post, *November* 20, 1920.

Sentences on Steel

From Report of a Recent Investigation Into Working Hours[1]

By Horace B. Drury

AT this time when many steel companies are laying off large numbers of men the question is being pertinently raised as to why any job need be twelve hours long.

England has given up the twelve-hour day in her steel industry, and so has France, Germany, Sweden, Italy, Belgium, Spain.

There is no other American industry which, like a steel plant, works the majority of its men twelve hours a day.

The speaker has recently visited practically all of the twenty American steel plants which are now running on three shifts.

The men have been so glad to get the shorter hours that they have been willing to make substantial concessions in daily wages. It has been found that a 25 per cent increase in hourly rates is ample to compensate the men for a four-hours' loss in pay.

To give all of the men now on twelve-hour work a 25 per cent increase in wages, and cut down their day from twelve to eight hours, would cost a manufacturer of pig iron about 21 cents a ton. That ton of pig iron sells for $40.

IF ALL THE DEPARTMENTS IN A STEEL PLANT WERE TO BE CHANGED FROM TWO TO THREE SHIFTS, THE INCREASE IN TOTAL COST FOR THE FINISHED RAIL, BAR OR SHEET, COULD NOT ON THE AVERAGE BE MORE THAN 3 PER CENT.

But the increase in cost need not be nearly so great as those figures. By taking care, some manufacturers going on eight hours have been able to reduce their force of men 10 per cent—some more. Others have found that the quality of their open hearth steel has improved and that the expense for fuel and wear and tear on furnaces has been substantially reduced. Others have found that their rolling mill output has gone up 20 or 25 per cent.

The steel industry is not an easy one in which to increase output, and during the initial stage of three-shift operation most companies have had to stand some increase in labor cost; but, taking it all in all, the manufacturers now operating on the shorter day are practically a unit in saying that it means more satisfactory operations, and is better business.

Certainly the experience of these twenty plants has revealed no real obstacle to putting the steel industry on a three-shift day; it is mainly a question of what one would prefer, twelve hours or eight. * * *

SO FAR AS CONCERNS THOSE CONTINUOUS OPERATION PROCESSES WHICH MAKE UP THE HEART OF THE STEEL

[1] The statements here quoted from Mr. Drury's paper as well as those that follow from Mr. Bull and Mr. Cooke, were presented at the annual meeting of the Taylor Society—held jointly with the Metropolitan and Management Sections of the American Society of Mechanical Engineers and the New York Section of the American Institute of Electrical Engineers at New York City, December 3, 1920—devoted to "The Three-Shift System in the Steel Industry." Mr. Drury, author of "Scientific Management," was formerly of the economics department of Ohio State University and recently with the United States Shipping Board.—Editor's Note.

INDUSTRY, such as the blast furnace, the open hearth furnace, and most types of rolling mills, together with the various auxiliary departments necessary to support these processes and make a complete plant, THE BULK OF THE EMPLOYEES WORK TWELVE HOURS. * * *

Most likely the percentage of twelve-hour workers for the whole plant—which we are assuming is entirely, or almost entirely, devoted to the more fundamental steel processes—will be considerably over 50 per cent, possibly two-thirds. * * *

In the great nucleus of the steel industry, where most of the men are employed, in the great plants where iron ore is made over into pig iron, pig iron into steel, and steel into various rolled shapes (excepting sheet), the body of the workmen are on duty twelve hours a day. * * *

WORKING IN PLANTS WHERE FOR THE MOST PART THEY HAVE CONSTITUTED A MAJORITY OF THE WORKERS, THESE MEN, WHO NUMBER AT LEAST 150,000, HAVE UNTIL RECENTLY HAD NO ALTERNATIVE OTHER THAN THE TWELVE-HOUR DAY, UNLESS THEY WOULD CHANGE THEIR OCCUPATION.

For them and for their families, numbering altogether a half or three-quarters of a million of people, the twelve-hour day has become a fixed industrial habit, firmly intrenched in the traditions of the industry and in their own lives and habits. * * *

IN THE CASE OF BLAST FURNACES THERE IS NOT ONLY THE TWELVE-HOUR DAY BUT THE SEVEN-DAY WEEK, and with the seven-day week there is associated one very objectionable feature, and that is the eighteen-hour to twenty-four-hour turn which comes to one-half the men whenever the day shift and the night shift exchange places. * * *

When these facts regarding the large volume of twelve-hour work in the steel industry first became a matter of general knowledge and discussion some ten years ago and then again last year a great many people doubtless were surprised to learn that so large a group of men could have gone on all these years practically untouched by the movement towards shorter hours. * * *

Now the jump from twelve hours to eight is a big one and it was quite natural that for a long time after many industries had reduced their hours from twelve to eleven or ten, the steel industry should continue to operate for twelve; and the impossibility of making any very gradual reduction of hours for shift workers is doubtless one of the reasons why the steel industry has until this day hesitated to make any change.

But although the awkwardness of the jump from twelve to eight hours for many years kept most continuous process industries on a twelve-hour schedule, for a number of years past various such industries have been very rapidly switching over from two to three shifts. * * *

It is possible, though not certain, that the steel industry would have made greater progress towards getting away from the twelve-hour day in spite of the situation just described had it not been for special circumstances in which the industry has found itself for the last few years, the chief of which has been a shortage of labor. * * *

The principal argument against the two-shift system is not the physical argument. If men had bodies only, if they had no other purpose in life

than to make money for themselves and their employer, it would be doubtful as to just how strong an argument could be made against the twelve-hour day.

The true nature of the two-shift problem becomes apparent only when we begin to think of a steel worker as a man, stirred by the same impulses and having much the same out-of-shop interests and obligations as have other working people and other citizens. * * *

I believe that it is largely this humanitarian and national welfare aspect of the twelve-hour day which is most in the minds of that large body of steel men who express themselves nowadays as opposed to the two-shift system.

There is, however, another objection to the twelve-hour day which should appeal * * * to all those engineers who are interested in the more effective utilization of human labor; and that is the fact that, SO LONG AS THE STEEL JOBS ARE ON A TWELVE-HOUR BASIS, THE WAY IS PRACTICALLY CLOSED AGAINST THE BUILDING UP IN THE INDUSTRY OF ANY SUBSTANTIALLY MORE EFFICIENT OR RESPONSIBLE LABOR FORCE. * * *

It is obvious that whether or not the shorter day can be made of direct profit to the industry, it would be courting trouble for the industry to persist indefinitely in maintaining a system which the public generally condemns. * * *

To continue the twelve-hour system in the face of the general drift towards shorter hours already referred to would simply be to plant dynamite. IN A WORD, THE STEEL INDUSTRY IS FACE TO FACE WITH THE INEVITABLE. THE CHANGE IS COMING; AND THE CHIEF QUESTION IS NOT WHETHER IT WILL COME, BUT IN WHAT MANNER IS IT TO BE BROUGHT ABOUT? * * *

Where the management is disposed to make reasonable concessions in the matter of hourly wage rates, the majority of the men soon fall in line as definitely favoring the shorter day. * * *

AFTER THE MEN HAVE ONCE GOT USED TO THE THREE-SHIFT SYSTEM YOU COULD NOT PULL IT AWAY FROM THEM WITH TONGS. * * *

If hourly wage rates are compromised half way, the force of men increased not a full 50 per cent, but on the average 35 per cent, and if output could on the average be increased 10 per cent, then the labor cost under three shifts would be practically the same as under two shifts. * * *

On many mills, however, actual figures show that the increase in output may run up well towards 25 per cent.

However, the striking thing about the cost of the three-shift system is the smallness of the amount at stake, whichever way one looks at it. * * *

In various of the rolling mills visited there has been no increase in labor cost. * * *

As a matter of fact, the managers in the steel industry are not worried a great deal one way or the other about this 21 cents for pig iron or this

slightly larger amount for open hearth steel. I think that probably the real reason why nearly all the three-shift manufacturers with whom I spoke were in favor of continuing on three shifts was because of those not easily measured efficiencies that spring out of the spirit of the men. I kept asking managers why they were in favor of three shifts. They had said that it cost more. I think that many of the manufacturers were influenced somewhat by humanitarian motives; but beyond this they kept saying that they also regarded the three-shift system as better from a business standpoint. * * *

They had noticed a marked improvement as regards absenteeism, and a tendency towards a better spirit. * * *

In September I was told on all sides by the managers of plants which had gone over to the three-shift system that while they had encountered no special difficulty in getting the extra men needed, it would be impossible for the industry as a whole to go over to three shifts because there was not sufficient supply of labor trained in the steel industry, in the country to run the extra shift. * * *

Today, however, these same steel manufacturers say that with the easing up in the demand for labor and with the tendency towards slack times in the steel industry itself, the time has already come or will come exceedingly soon when the whole industry could go over to three shifts without serious difficulty.

IN OTHER WORDS, THE TIME IS NOW HERE, OR WILL VERY SHORTLY BE HERE, FOR WHICH MEN IN THE STEEL INDUSTRY HAVE FOR SEVERAL YEARS BEEN SAYING THAT THEY WERE WAITING TO INTRODUCE THE THREE-SHIFT SYSTEM.

NOW IS GOOD TIME FOR CHANGE TO EIGHT HOURS

By R. A. Bull

Consulting Engineer, in Foundry Practice

I AM more strongly convinced now than ten years ago of the economic wisdom of abolishing the twelve-hour shift in the steel industry. Probably its leaders will never have a better time than now to take action. Postponement must stimulate unrest and make a practical basis of wage readjustment more difficult.

"THREE-SHIFT MOST SATISFACTORY"

By Charles M. Cooke

Superintendent, Open Hearth Department, Commonwealth Steel Co.

WE feel the three-shift condition has enabled us to get a higher type of workman and has increased efficiency which has reflected itself in a higher quality of product and increased tonnage. It has reduced turnover. We find men more alert on an eight-hour turn. It has also minimized our accidents from both human and production standpoint, as well as resulting in a more economical use of materials and prolongation of life of furnaces. We feel our experience has been most satisfactory on the three-shift arrangement.

Book Reviews and Notes

Debate Between Samuel Gompers and Henry J. Allen. New York, Dutton, 1920. 105 p.

Stenographic report of Carnegie Hall debate including applause and boos; also delayed answer (and rejoinder) to question of Governor Allen of Kansas regarding right of government to suppress strikes.

Careers for Women. Edited by CATHERINE FILENE. Boston, Houghton Mifflin, 1920. xv, 576 p.

A prefatory note says this compilation of brief articles by more than 150 women is the result of "the demand for vocational information to help the youth of the country in its choice of a life career." High school girls and college women apparently are chiefly in mind. The editor is director of the Intercollegiate Vocational Guidance Association. The book would be interesting if only for its list of possible employments for women ranging all the way from "Public Accountant" to "Dog-Raiser," and from "Architect" to "Detective," as well as "Factory Inspector," "Employment Agent" and "Specialist in Labor Legislation." A number of these occupations naturally were not mentioned in America's pioneer work on the subject "How Women Can Make Money, Married or Single," by Miss Virginia Penny, who published her volume of 500 pages two generations ago. One finds, however, additional interesting side-lights on the new position of women in industry in a recent bulletin of the federal women's bureau on "Industrial Opportunities and Training for Women and Girls," as, for instance, "the experiences in the employment of women in new occupations during the war make it apparent that her most promising future as a wage-earner in the new pursuits lies in the order of importance, in (*a*) machine shops where light parts are made, (*b*) wood-product factories where assembling and finishing are important processes, (*c*) optical and instrument factories, (*d*) sheet-metal shops." All of which further emphasizes the ever-expanding need of legislative protections for women and girl workers.

Principles of Labor Legislation. By JOHN R. COMMONS and JOHN B. ANDREWS. New York, Harpers, 1920. x, 559 p.

Many important new developments have occurred during the intense, swift-moving years since the earlier editions appeared. In this fourth edition, completely revised, all essential data have been incorporated in the new text, bringing it thoroughly up to date as of June 1, 1920. The fundamental principles here set forth have continued to hold good as the underlying basis of legislative progress—state, national and, notably under the League of Nations, international. A valuable select critical bibliography

is included in this volume. The book is an indispensable aid to any consideration of protective labor laws in their relation to employer, employee and the public.

The Casual Laborer and Other Essays. By CARLTON H. PARKER. New York, Harcourt, Brace and Howe, 1920. 199 p.

The posthumous papers of one who had pioneered buoyantly and promisingly in the application of the newer psychology to a study of labor problems.

Time Studies as a Basis for Rate Setting. By DWIGHT V. MERRICK. New York, The Engineering Magazine Company, 1919. xiv, 366 p.

An expert discussion of principles, methods and implements of time study—and related problems such as wage payment systems—by a disciple of Dr. Frederick W. Taylor, widely known as the "father of Scientific Management."

Bolshevism in Russia and America. By REV. R. A. MCGOWAN. New York, Paulist Press, 1920.

In an appreciative review of Father McGowan's pamphlet, issued by the social action department of the National Catholic Welfare Council, William Hard, the well-known publicist, has called attention particularly to the anti-Bolshevik, anti-Socialist point of view of the author, which, however, did not prevent him from telling what Bolshevism really is, instead of merely denouncing it. "The next time the National Civic Federation or the National Security League or your local Chamber of Commerce comes ramping and roaring down Main Street waving the scarlet word 'Bolshevism' and trying to hang it around the neck of every radical in town," Mr. Hard remarks, "why, here's the sober and sane answer right out of the headquarters of the national social welfare interests of the Roman Catholic Church, which was fighting Socialism for some time before Ralph M. Easley of the National Civic Federation was able to get born and go to it." Father McGowan computes that Bolshevik organizations in America—or organizations Bolshevik enough "to be considered so"—have a total strength of not more than 130,000. "It would be a wonderful thing for sanity in this country," according to Mr. Hard, "if Father McGowan's estimate of the numerical power of American Bolshevists—together with his definition of what American Socialists mean by 'the Revolution'—could be pasted in the hat and soaked into the brain of every American legislator. But it would be still better if every American legislator could simply be forced to read the last ten pages of Father McGowan's pamphlet, beginning with 'Bolshevism as an Epithet.'" Quoting the Church's pamphlet as demonstrating why the Plumb Plan or the Labor Party or the Non-partisan League are not "Bolshevik," as the epithet propagandists would have us believe, Mr. Hard interjects: "Ah! Mr. Ralph M. Easley, New York.—Dear Sir:—Please send down to Washington and have Mr. Palmer suppress Father McGowan and the National Catholic Welfare Council and the Roman Catholic Church, which, I am told, has offices in Europe. In fact, I am told it has had offices in Europe for nearly 1,900 years. Now, considering what Europe is, you can see that this organization must have become very radical by this time. You are hired to stop this sort of thing and I expect you to make good. Yours truly, Faithful Subscriber."